104

THE UNITED NATIONS AT 50: PROSPECTS FOR REFORM

Y 4. IN 8/16: UN 35/21

The United Nations at 50: Prospects...

HEARING

BEFORE THE

COMMITTEE ON INTERNATIONAL RELATIONS HOUSE OF REPRESENTATIVES

ONE HUNDRED FOURTH CONGRESS

FIRST SESSION

OCTOBER 24, 1995

Printed for the use of the Committee on International Relations

SUPERINTENDENT OF DOCUMENTS
DEPOSITORY
APR 12 1996
BOSTON PUBLIC LIBRARY
FEDERAL DOCUMENTS DEPOSITORY

U.S. GOVERNMENT PRINTING OFFICE

22-223 CC WASHINGTON : 1996

For sale by the U.S. Government Printing Office
Superintendent of Documents, Congressional Sales Office, Washington, DC 20402
ISBN 0-16-052276-5

04

THE UNITED NATIONS AT 50: PROSPECTS FOR REFORM

Y 4. IN 8/16: UN 35/21

The United Nations at 50: Prospects...

HEARING

BEFORE THE

COMMITTEE ON INTERNATIONAL RELATIONS HOUSE OF REPRESENTATIVES

ONE HUNDRED FOURTH CONGRESS

FIRST SESSION

OCTOBER 24, 1995

Printed for the use of the Committee on International Relations

SUPERINTENDENT OF DOCUMENTS
DEPOSITORY
APR 12 1996
BOSTON PUBLIC LIBRARY
FEDERAL DOCUMENTS DEPOSITORY

U.S. GOVERNMENT PRINTING OFFICE

22-223 CC WASHINGTON : 1996

For sale by the U.S. Government Printing Office
Superintendent of Documents, Congressional Sales Office, Washington, DC 20402
ISBN 0-16-052276-5

COMMITTEE ON INTERNATIONAL RELATIONS

BENJAMIN A. GILMAN, New York, *Chairman*

WILLIAM F. GOODLING, Pennsylvania
JAMES A. LEACH, Iowa
TOBY ROTH, Wisconsin
HENRY J. HYDE, Illinois
DOUG BEREUTER, Nebraska
CHRISTOPHER H. SMITH, New Jersey
DAN BURTON, Indiana
JAN MEYERS, Kansas
ELTON GALLEGLY, California
ILEANA ROS-LEHTINEN, Florida
CASS BALLENGER, North Carolina
DANA ROHRABACHER, California
DONALD A. MANZULLO, Illinois
EDWARD R. ROYCE, California
PETER T. KING, New York
JAY KIM, California
SAM BROWNBACK, Kansas
DAVID FUNDERBURK, North Carolina
STEVEN J. CHABOT, Ohio
MARSHALL "MARK" SANFORD, South Carolina
MATT SALMON, Arizona
AMO HOUGHTON, New York

LEE H. HAMILTON, Indiana
SAM GEJDENSON, Connecticut
TOM LANTOS, California
ROBERT G. TORRICELLI, New Jersey
HOWARD L. BERMAN, California
GARY L. ACKERMAN, New York
HARRY JOHNSTON, Florida
ELIOT L. ENGEL, New York
ENI F.H. FALEOMAVAEGA, American Samoa
MATTHEW G. MARTINEZ, California
DONALD M. PAYNE, New Jersey
ROBERT E. ANDREWS, New Jersey
ROBERT MENENDEZ, New Jersey
SHERROD BROWN, Ohio
CYNTHIA A. McKINNEY, Georgia
ALCEE L. HASTINGS, Florida
ALBERT RUSSELL WYNN, Maryland
MICHAEL R. McNULTY, New York
JAMES P. MORAN, Virginia
VICTOR O. FRAZER, Virgin Islands (Ind.)

RICHARD J. GARON, *Chief of Staff*
MICHAEL H. VAN DUSEN, *Democratic Chief of Staff*
FRANK C. RECORD, *Senior Professional Staff Member*
PARKER H. BRENT, *Staff Associate*

CONTENTS

WITNESSES

	Page
Senator Nancy Kassebaum, United States Senate	5
Ambassador Jeane Kirkpatrick, Senior Fellow, American Enterprise Institute	18
Mr. Charles William Maynes, Editor, *Foreign Policy Magazine*	20
Ms. Phyllis Kaminsky, Co-Chair, Coalition for United Nations Procurement Reform	22
Mr. Carl Smith, Co-Chair, Coalition for United Nations Procurement Reform	25

APPENDIX

Prepared statements:	
Senator Nancy Kassebaum	39
Mr. Charles William Maynes	43
Ms. Phyllis Kaminsky	50
Mr. Carl Smith	57
Congressman Toby Roth	64
Additional material:	
Letter submitted by G. Michael Schlee, Director, National Security-Foreign Relations Division, The American Legion	65
Letter submitted by Ralph L. Cwerman, Vice President, the United Nations Association of the United States of America	126

THE UNITED NATIONS AT 50: PROSPECTS FOR REFORM

TUESDAY, OCTOBER 24, 1995

HOUSE OF REPRESENTATIVES,
COMMITTEE ON INTERNATIONAL RELATIONS,
Washington, DC.

The committee met, pursuant to notice at 10:15 a.m., in room 2172, Rayburn House Office Building, Hon. Benjamin A. Gilman (chairman of the committee) presiding.

Chairman GILMAN. The committee will come to order.

I take great pleasure in opening this hearing commemorating United Nations Day, marking the 50th anniversary of the founding of the United Nations.

Over the weekend I was privileged, along with some of my colleagues on this committee, to take part in the anniversary celebrations at the United Nations in New York City.

In his remarks before the General Assembly, President Clinton reaffirmed his determination that our contributions to the United Nations go to saving lives and not toward unneeded overhead.

In today's hearing, we will try to chart the course outlined in part by the President, and I am prepared to work with the Administration where Congress is a co-equal partner in designing policies that help to improve management practices and delete obsolete programs and agencies. Our first step should be to freeze the overall U.N. budget.

While the Administration declined to send a witness to our hearing today, I understand that the Secretary of State is prepared to come before our committee in the near future and to engage us in a full dialog on United Nations issues after the Administration and the Speaker agree on the creation of a formal consultative mechanism on U.N. reform.

To that extent that the Congress and the Administration can agree on a joint framework for action on reform, I feel certain that we can close the gap in our arrearages to the United Nations and put our overall support for U.N. peacekeeping on a more sustainable basis.

I would urge that the Administration make future contributions to the United Nations subject to some conditions, including a strengthened office of the Inspector General, an immediate hiring freeze, reforms in procurement practices, and the development of a code of conduct for all U.N. employees without any exception.

To make certain that the highest ethical standards are in place throughout the U.N. system, no U.N. official should be allowed to

hire relatives or take unlimited trips back home at the expense of the United Nations and its donor nations.

I am quite certain that the Congress, as a whole, recognizes the importance of the United Nations. Our colleagues on both sides of the aisle, including this year's congressional delegate, Toby Roth, and Ranking Minority Member, Mr. Hamilton, have taken a strong interest in this subject of U.N. reform.

So we look forward to hearing their suggestions on a U.N. reform agenda and how we might find the resources to fund our arrearages.

I am pleased that we have joining us today the distinguished Senator from Kansas, Nancy Kassebaum, Chairman of the Senate Committee on Labor and Human Resources and a recognized expert in the Congress on the United Nations and how it can be overhauled and reformed to meet the challenges of the post-cold war era.

We regret that Mrs. Kassebaum may be leaving us soon.

Following Senator Kassebaum, our second panel will include Ambassador Jeane Kirkpatrick, who I had the honor of serving with as the U.N. liaison several years back.

Ambassador Kirkpatrick was our former permanent representative to the United Nations and one of the strongest and more articulate critics of the Administration's multilateral policies.

Charles Maynes, the editor of Foreign Policy Magazine, and a former Assistant Secretary for International Organizations and a leading contributor to the debate on the future of our policy toward the United Nations, will also be appearing before us.

And Phyllis Kaminsky and Carl Smith, who are co-directors of the Coalition for United Nations Procurement Reform, and tireless advocates for U.N. reform and for increasing procurement opportunities for American businesses.

Before proceeding, I would like to ask if any of our colleagues wish to make an opening statement.

And I would ask unanimous consent to allow all members of the committee to put their opening statements in the record in full, and I am going to ask that the record be kept open for statements and reports from organizations and groups wishing to comment on U.N. reform issues.

Mr. Bereuter.

Mr. BEREUTER. Thank you, Mr. Chairman.

I wanted to commend you for the hearings that we are holding today on the anniversary year of the United Nations and particularly welcome our distinguished colleague from Kansas, Senator Kassebaum, who, as you said, has a sterling reputation on matters related to the U.N. and U.N. reform.

When I served as a delegate, there were frequent references made to your initiatives when I served on the Budget Committee up there—Kassebaum and Kassebaum-Solomon were efforts that were frequently mentioned.

So we look forward to your recommendations.

There is a lot I hope that I might have a chance to say about some of the current problems of the United Nations somewhere in the course of our hearings, but I think it is important to say up front that the U.S. Congress, by its actions in the previous Con-

gress and this Congress, does not accept the assessment of arrearages that are being given to us. We repudiate some of those assessments because we have made it quite clear after waiting for years of reform that we are paying a particular percentage and no more. We specifically repudiate actions which suggest that we owe a larger percentage.

That is a unilateral action, but out of frustration we have come after a decade to that point where we had to make that unilateral statement.

Thank you, Mr. Chairman.

Chairman GILMAN. Thank you, Mr. Bereuter.

Mr. Smith.

Mr. SMITH OF NEW JERSEY. Thank you very much, Mr. Chairman.

Mr. SMITH OF NEW JERSEY. I want to thank you for calling this important hearing. The United Nations and its affiliate organizations inspire strong feelings among Americans. Some associate the organization with the very problems it was supposed to solve with ideological hostility to the values of free societies, and with inefficiency and the mismanagement on a global scale. Others regard it as the last best hope of humanity.

The 50th anniversary of the United Nations calls attention both to the problems and to the hopes that are associated with the organization. Clearly the United Nations performs certain functions that cannot be done well by either individual nations or by other institutions. One of these functions is international peacekeeping, in places where there is a genuine peace to keep. Its specialized agencies, such as UNICEF and the World Health Organization, continue to do important work toward finding cures for killer diseases, eradicating hunger, and saving the lives of children around the world.

And yet the U.N.'s bureaucracy has shown a tendency to become all too comfortable with its achievements. Too much comfort can lead not only to inefficiency but also to a loss of commitment to the fundamental purpose of the organization.

Since I know that our time of our distinguished witnesses is limited, just let me say just a few words of welcome to Senator Kassebaum, who has been a leader in U.N. reform, and we are very grateful for her leadership in that regard. And to Ambassador Kirkpatrick, who has done a great deal over the years, especially as ambassador, to restore confidence in the United Nations and to show that it can be used for laudable purposes.

I would also remind members that on Thursday the Subcommittee on International Operations and Human Rights, which I chair, will hold a hearing to continue the inquiry that begins today and we will look in further detail at other reforms and issues related to the United Nations.

So I want to thank you, Mr. Chairman, for convening this very important hearing.

[The prepared statement of Mr. Smith appears in the appendix.]

Chairman GILMAN. Thank you, Mr. Smith.

Mr. Payne.

Mr. PAYNE. Thank you very much, Mr. Chairman.

I will be very brief so that we can get on and hear our distinguished panelists, but let me certainly extend my greetings to Senator Kassebaum, who really has had such an outstanding record in the right things, taking the courage to go to Somalia, being the first U.S. lawmaker to visit that troubled country and to have such a strong position as related to Rwanda.

I really have not requested anyone from the other party to stay in Congress, but I would just hope that Senator Kassebaum would reconsider this evil rumor I hear about her possibly leaving the Senate.

But let me just say that reform is important. I think we should not consider reform though with a way to bash and, not for you, Senator, but some of my colleagues to criticize and actually feel that we can stand alone as a Nation. We cannot stand alone. We must have allies around the world, and I hope that with this new growing isolationism we can have time to educate some of our new entries into the House, in particular, about the benefits that the United Nations has been to the world, and that we need it in the next millennium.

Thank you very much, Mr. Chairman.

Chairman GILMAN. Thank you, Mr. Payne.

Mr. Roth, who is now serving as our congressional liaison to the General Assembly of the United Nations was there present at the opening ceremonies.

Mr. Roth.

Mr. ROTH. Well, I thank you very much, Mr. Chairman. And I want to thank you and join with my colleague and thanking you for holding these hearings today.

I am especially interested as the congressional delegate to the United Nations this year, because I will be serving on the Budget Committee and I know reform is going to be one of the key issues.

And, Senator Kassebaum, I have your statement on reform. I think your points are well taken. And I think they dovetail pretty well on what President Reagan—I mean President Clinton—there I go—wishful thinking again—that President Clinton has to say at the United Nations on Sunday. And, quite frankly, the other leaders I talked to pretty well are dovetailing in with many of those comments. And I think that Ambassador Madeleine Albright's recent speech on reforms too is very positive.

So I think in this 50th anniversary year, we are going to make some real progress. We are going to again, I think, reassert the importance of the United Nations, but at the same time I think we are going to have public opinion backing the United Nations when they see the reforms that are so vitally needed today.

And just to my members and to the people who are going to be appearing today, I must say that I was elated when I was there with all the world leaders only to find that the chairman of this committee, Mr. Gilman, was the most recognized man at the United Nations on Sunday.

Thank you, Mr. Chairman.

Chairman GILMAN. Thank you, Mr. Roth, Ambassador Roth now. [Laughter.]

Chairman GILMAN. Distinguished subcommittee chairman of the Subcommittee on Africa, Ms. Ileana Ros-Lehtinen.

Ms. ROS-LEHTINEN. Thank you so much, Mr. Chairman.

It is always an honor and a privilege to be among strong intelligent women, such as the ones that we will be hearing from today, Nancy Kassebaum and Jeane Kirkpatrick. They certainly serve as exemplary role models for young girls everywhere and I congratulate the Chairman for having the foresight also to call these wonderful women to speak to us today.

I regret that I will not be able to stay for the entire meeting. Congresswoman Vucanovich has a Republican women's all-day conference at another location, so I look forward to hearing from my colleagues about the declarations here today.

Just as a personal note, in the district that I represent, my South Florida community is up in arms about the U.N. celebrations going on these days, most especially because of Fidel Castro's presence there, giving him the international forum to espouse his propaganda of lies, his continual repression of 36 years upon the Cuban people, and his cynical call to have democracy take place in the United Nations when he, in fact, does not allow his own countrymen to decide their own fate in free elections.

Therefore, if I were to go to my constituents and ask them how much support there is for the United Nations, I know in my community that would be nil.

But I look forward to hearing about the reforms that some of the panelists will be proposing for this supposed human rights and democracy-fostering institution.

Chairman GILMAN. Thank you, Chairman Ileana Ros-Lehtinen.

And now we are pleased to entertain the testimony of our distinguished Senator from the State of Kansas, Senator Kassebaum.

STATEMENT OF HONORABLE NANCY KASSEBAUM, SENATOR IN CONGRESS FROM THE STATE OF KANSAS

Senator KASSEBAUM. Thank you, Mr. Chairman.

I am really very pleased and honored to have been invited to testify at your opening hearing on the United Nations and United Nations reform. I think on the 50th anniversary it is most appropriate and, as has been pointed out, I think that it is a time when there is a conjuncture of many different groups coming together.

I understand that President Mandela spoke very strongly about the importance of reform at the United Nations. Of course, people have been talking about reform for some years.

And, Mr. Chairman, I just want to correct one statement that you made. I am not an expert on the United Nations; I am only an interested observer. I did try with the Kassebaum-Solomon Amendment to bring some reform to the budgetary process at the United Nations. I think it may be called into question how successful that has been. But I have been working with the distinguished Ranking Member, Mr. Hamilton, on some shared ideas about reform. So this is very much a bipartisan effort. I think it is important that it be bicameral, so to speak, and I think also a legislative and administrative effort.

My message today is simple, Mr. Chairman. Without substantial reforms at the United Nations, the United Nations will not remain relevant to the needs of our time. I feel very strongly about this.

How we get this moved forward with support from other nations I think is what is called into question.

We have talked about U.N. reform, as I said, for a number of years, but we have not accomplished much. Perhaps the task is just too large. But without substantial reform, I worry that America's role in the United Nations will suffer death by a thousand cuts. Critics will whittle away at our ability to participate either financially or physically in U.N. activities.

And frankly, without substantial reforms at the United Nations, I myself, as a U.N. supporter, would have to wonder whether at some point America should walk away.

Some have suggested that America does not need the United Nations. I would strongly disagree. We sometimes need the United Nations to support our diplomacy, as we saw in constructing the delicate international coalition that evicted Saddam Hussein from Kuwait. We need the United Nations to help us fight the spread of weapons, and I would say this is a very urgent need that we have, to fight the spread of weapons of mass destruction as the International Atomic Energy Agency has done in places such as North Korea and Iraq.

We need the United Nations to help ease the terrible suffering of refugees, and the U.N. High Commission for Refugees performs very important work around the globe from Hong Kong to Rwanda to Bosnia.

We need the United Nations to help coordinate the fight against emerging diseases that know no national borders. And the World Health Organization has been important in our response to outbreaks of Ebola virus, HIV, malaria and the plague.

And we need the United Nations because Americans will not stand idly by as children suffer. Perhaps the strongest support in Congress is reserved for the work of UNICEF. These tasks go to the core of what to my mind most Americans want the United Nations to do and what we would like it to be.

But to many Americans, including many in Congress, these good works are rare islands in a much larger swamp that is the United Nations. The United Nations suffers from trying to be too much to too many. Many Americans see redundant programs and functions within the United Nations that have too many agencies. I seriously doubt that anyone on this committee, and certainly for myself, from the Foreign Relations Committee in the Senate to the International Relations Committee of the House of Representatives, can name from memory more than half the agencies of the United Nations.

We must ask ourselves whether these agencies really are priorities. Many Americans see no focus and no real sense of priorities at the United Nations. They see waste and mismanagement that costs the U.N. money, efficiency and respect. They see enormous conferences that make the whole organization seem little more than a global talk show. They see a series of conventions and treaties which while well intentioned seem to intrude on matters more effectively handled by states themselves. And they see a general lack of leadership and good management that can lead the organization into the 21st century.

Congressman Hamilton and I have suggested four areas on which to concentrate efforts of reform. We would pare down the

number of U.N. agencies—and have only a handful serving a core function of the organization.

I am a little reluctant to put words into the Ranking Member's mouth because he may not agree with my assessment of the core agencies, but I think in general we feel strongly about the importance of focusing on that. We would put an end to the international conferences that do so much to tarnish the U.N.'s image in the public's mind. We would direct peacekeeping operations to their classic form in which there is a solid peace to be kept. And we would take steps to strengthen accountability at the United Nations, including making sure that the Inspector General has full and free access to information throughout the organization.

Many of us have our own substantive ideas for reform, and I am sure, Mr. Chairman, you are going to be leading the effort in looking at these here in your committee.

But to my mind two things are most important at this time. First, we must build a consensus within the Congress with the Administration and also among our allies and key donors to the United Nations on what we want to accomplish. We cannot really just go it alone. We really must move this dialog forward together. We must develop a clear vision of what together we want the United Nations to be. We must outline clearly the reforms we expect to see implemented, and we must work together with our friends and allies to bring real and dramatic change to the United Nations.

I do not pretend this is simple. But neither was it simple when the U.N.'s founders undertook a similar effort from scratch half a century ago. Like them, we must be forward thinking and forceful and clear in our objectives and we must be leaders in this effort.

Second, I believe we should enter this debate from a position of strength. We should pay our bills to the United Nations so that we can be the strongest possible advocate for reform.

Now, we may need, as I think Congressman Bereuter spoke to the need for assessment and reassessing that assessment schedule, and I think that is worth looking at as we would look to the ability to schedule payments and reassess what that assessment may be. If we paid all we owe currently, between $1.2 billion and $1.4 billion, depending on which figure one accepts, we would be in rare company indeed. Today only one country has paid its assessments in full and that is the very tiny country of Lesotho.

In fact, many of those who criticize us for not paying our bills, including our friends, are they themselves in arrears. As we assume leadership for reform, I would like to turn the tables on those who call us deadbeats because they have every bit as much a responsibility as we do in providing leadership in this area.

I know the Clinton Administration shares my support for reform. The President himself has addressed this subject and I have appreciated the opportunity to discuss this matter with key Administration officials. But I must say that to date I do not believe the Administration has been bold enough. It is not sufficient merely to push for changes that are doable. And I believe we must clearly develop our agenda for reform based on what is desirable. And nothing less than a consensus on our vision for where we want the United Nations to go and how we intend for it to get there will sat-

isfy, I think, the critics. Not even those of us who support the organization.

Let me say finally that I firmly believe we must take care that this debate about U.N. reform not descend into the mundane, for we must be very specific about what changes we are demanding. This is not a debate about technical details. This is an issue of leadership, America's leadership in the world and America's leadership in the United Nations.

Is it really important? I believe, Mr. Chairman, it is and we should make the case for why it is important. We should have a debate about objectives. What is our best hope and our best expectation for what the United Nations can be.

That is why I believe that reform must start with our own thinking and the role of what the United Nations is and what it should be in American foreign policy. We cannot expect the United Nations to be clearer in purpose than its most powerful member state. At its core, the United Nations is a collection of sovereign states and is beholden to them for guidance, funding, and ultimately legitimacy. The political decisions that drive the organization and define its proper role in international politics must be made in national capitals, not in New York.

I have grown increasingly concerned about the tendency toward a fuzzy multilateralism that has come to mark U.S. policy toward the United Nations. We have shown a penchant for dumping difficult problems in the lap of the United Nations and then complaining when no solution is forthcoming. The tragedy in former Yugoslavia may be the most dramatic current example of this phenomena.

The truth is we cannot so easily wash our hands of difficult decisions. The United Nations is not a substitute for American leadership in international affairs. Rather it is one avenue available to us to exercise that leadership.

Mr. Chairman, I believe we must own up to the truth about our role in the United Nations. The United Nations has many failures, but we fool ourselves if we merely point fingers at New York and blame the United Nations for its shortcomings. The United States is first among equals in the U.N. system. The successes and failures of the United Nations are in reality our own.

Thank you, Mr. Chairman. I would be glad to answer any questions.

[The prepared statement of Senator Kassebaum appears in the appendix.]

Chairman GILMAN. Thank you, Senator Kassebaum for your very astute statement, and it is apparent that you have done a lot of work and spent a great deal of time on this issue.

It strikes me, Senator Kassebaum, that there is no central authority in the United Nations that is concentrating on reform. And when we talked to Secretary Boutros Boutros-Ghali, he says, "Well, I am here to listen to all of the states and to try to be a guiding hand," but I do not think that he has moved forward forcibly in trying to bring about reforms.

Should there not be some reform commission within the United Nations in order to bring about these things that we are talking about?

Senator KASSEBAUM. I think there has to be an effort at the United Nations pulling together. Many of the smaller countries I think fear they will be left out in any major reform effort. So I think there has to be some means of coalescing around some leadership at the United Nations, but I think that the strongest members have to provide some leadership in that effort.

Chairman GILMAN. That has not been done to date, has it?

Senator KASSEBAUM. No. No, it has not.

Chairman GILMAN. Well, I would hope——

Senator KASSEBAUM. I am certainly open to suggestions.

Chairman GILMAN. Together we might help to bring that about. We can talk about reform at length here, and unless there is some central group within the United Nations to help bring it about, we are not going to move very far toward making some progress.

Senator KASSEBAUM. I would agree.

Chairman GILMAN. Who in our own Administration is responsible for moving these kind of reforms through the Congress? I know the President has spoken——

Senator KASSEBAUM. In the United Nations.

Chairman GILMAN. Yes.

Senator KASSEBAUM. I think—oh, I think Ambassador Albright has spoken and is interested, and certainly Secretary Christopher is as well. And I think the next—as has been pointed out by Ambassador Albright, and I am sure Ambassador Kirkpatrick will have some very succinct and forthright observations to make. Trying to pull everybody together is a little bit like herding cats, I suppose. But I think that it cannot be done and say that you are going to please everybody there.

So it takes leadership that says, "This is what needs to be done," and lay it out and then try and pull people together. But you cannot try and please everybody along each step of the way or I think you end up getting very little, as I say——

Chairman GILMAN. And apparently that has not been done to date.

Senator KASSEBAUM. Not to date, but I think just the fact that there are so many beginning to talk about major reform is a step forward, I would suggest.

Chairman GILMAN. Well, I hope that we can convince the Administration then to appoint someone to be in charge of reform at the United Nations and to focus our attention around that important issue.

Senator KASSEBAUM. Well, I think they are receptive, from what I understand in conversations, to doing that. But, as you say, the mechanism perhaps is not in place yet that could produce the most focus——

Chairman GILMAN. Senator Kassebaum, do you think your colleagues in the Senate are ready to support a reform agenda and plan to pay outstanding arrearages?

Senator KASSEBAUM. Well, Mr. Chairman, let me say that is probably one of the debates. Should we pay? Which comes first, the chicken or the egg? Should we withhold payment in order to force reform, which was somewhat the principle behind the Kassebaum-Solomon Amendment.

I am not sure we have not reached a point where we need to pay, however, at this point and work out some change in assessments, some method of payment, as President Bush was proposing to do for arrearages, in order to be a major player at the table of reform.

I think we are vulnerable if we only say we need reform and we are not willing to pay anything until we get reform.

Chairman GILMAN. Which leads me to the question, how should we, if we get to reform, prioritize our arrearages?

Senator KASSEBAUM. I am not sure. But that is something that I think needs to be worked out and carefully thought through.

Chairman GILMAN. Well, I want to thank you for your testimony, for taking the time, and I am sure my colleagues have some questions.

Mr. Hamilton.

Mr. HAMILTON. Thank you very much, Mr. Chairman.

I appreciate your leadership in having the hearings on the United Nations. I think it is very timely and we have got some excellent witnesses.

I want to say to Senator Kassebaum not only how much I appreciate her statement, agreeing with it totally, but more important I have appreciated her leadership in the Senate on this question of U.N. reform. It is a very tough question. And Senator Kassebaum has come out with very constructive and forthright proposals, often going against the political grain with her positions. And I am grateful to her for it.

You and I wrote that op-ed piece because we wanted to push the question of U.N. reform forward. And we have had some success at that, and I have been impressed, as perhaps you have, with how many of these leaders speaking in New York in the last couple of days have pushed the reform agenda. And I am very pleased about that.

It seems to me that we have three problems that we are wrestling with here. One is we owe the money to the United Nations. We ought to pay it. I think it is going to be very hard to get any reform at the United Nations unless we are paid up.

The second problem is the problem of how to reform the United Nations itself. It has been tried a lot of times without success. And we are trying again. And as you point out in your statement, we need to be specific about what reforms are necessary.

As you also say, I think we have a chicken-and-egg problem here. The United Nations says they are not going to reform unless we pay, and we argue why should we pay if they will not reform. And it is hard to know how to proceed.

I have come to the conclusion that you have to deal with these two problems together. In other words, I do not think this Congress is going to come up and pay the money the United States owes unless it is persuaded that reform is moving along in the United Nations. And we have to tie these things together, it seems to me.

There is a third factor that has to be tied in and that is a much closer consultation with the executive branch with regard to our commitments.

One of the things that bothers Members of Congress is that the executive branch has made commitments, usually in peacekeeping, but in other areas as well, through its votes on the Security Coun-

cil and its actions in the United Nations without a close consultation with the Congress.

And so it seems to me you have got to weave all of these strands together. You have got to pay, you have got to reform, and the executive branch has to put into place a mechanism that will assure much greater cooperation and consultation when we make these commitments through the United Nations to go to Somalia or to go to Bosnia or to go wherever. And I think we have to bring these strands together.

I do not think you can solve these problems separately. I think you have to address them as a package, and I think, Senator, you are in general agreement with that kind of approach, are you not?

Senator KASSEBAUM. Yes, I am. I have reached that conclusion too. As I said, I think we always hope the carrot-and-stick approach might work, but I think at this juncture, if we really wish to accomplish something that is, as I say, not just nibbling at the edges, we have got to be bold, but it has got to be a package.

Mr. HAMILTON. I think we could probably say that the past approach that the Congress has taken, which has been to withhold payment in order to demand reform, may have gotten the attention of the United Nations, it may have been the right policy at the time, but the dynamics of the situation have changed now in that you have got to deal with these issues as a package.

And I want to emphasize the third point. I think the Administration needs to be much, much more careful in commitments it has made through the United Nations and in that process be sure that they consult with Members of Congress very carefully.

Thank you for your leadership, thank you for your statement.

Senator KASSEBAUM. Thank you.

Mr. HAMILTON. Thank you, Mr. Chairman.

Chairman GILMAN. Thank you Mr. Hamilton.

Mr. Smith.

Senator KASSEBAUM. He has gone.

Chairman GILMAN. Mr. Houghton.

Mr. HOUGHTON. Thank you very much, Mr. Chairman.

Senator, I am not much of a diplomat. I am certainly not much of a politician. But I have had a little bit of experience in the business world. And it seems to me incredible that we cannot face up and pay this bill. And if it is overpaid, we can put that in credit in terms of other expenses later on. And I do not think you probably disagree with this.

So that is number one. Pay the bill, bring the others along, do not let them use us as a scapegoat.

The second thing is in terms of reform. You can have a commission. You can have a McKenzie study, you can have all sorts of things to look into reform. Why is it not possible to have something like that? We are going to pay our bill. We are going to be right up to snuff. We will let people decide whether there is an overage and underage later on. However, along with that, we will insist on a 10 to 25 percent cut in the expenses of the United Nations, which means—and I do not know whether that figure is right or not—but rather than talking about where the cuts should be, where the reform should be, you have a dollar number out there which goes consistent with our paying of the bill. And it forces internally the

reform which we are going to be unable to do from an outside basis.

And then last, have a group there which is constantly monitoring and sending back to the various nations what is needed as far as proportional spending, as far as proportional contributions.

So you set this thing on its path. You do it, and, frankly, if something like that is done, I would think that it could gather a lot more support within Congress than this sort of fuzzy thing which you describe in your testimony, which is our sort of definition of what the United Nations does.

I would be interested in your comments.

Senator KASSEBAUM. First let me say, as I mentioned, that some of our major allies are also in arrears. Among the top 10 I believe in arrearages that includes Japan, I think Germany, and the United Kingdom, and maybe like the football, the top 25, but I think it is in at least the 20 or 25.

So our strongest allies, in many ways, are also in arrears. We should not be the one always held up but because we are very visible and because of our leadership, that is indeed the case.

With the Kassebaum-Solomon Amendment, we tried somewhat the approach of reduction of our contribution if the United Nations did not reform its budgetary process because we had lost the ability, the largest contributors, to really have a role in shaping the budget of the United Nations.

As I say, as I look at that now, I am not sure it has accomplished what we had hoped at the time. And part of it you can say cut 20 percent, but that is a little bit like saying, for ourselves, here in the Congress, cut 20 percent and then you start to get into this, well, maybe here and maybe there, and maybe we do not do it. You know, across-the-board cuts never have seemed to work very successfully.

I have reached the conclusion it has to be more targeted. It has to be very precise I think. And I think we have got to get on a schedule. I think we have to redefine the way we are assessing and then work out a schedule. And I think that we have got to provide the leadership in that as well as all of our other major allies in stepping forward.

Now, maybe we can find some process to make it work better but——

Mr. HOUGHTON. Well, if I could just respond to that very briefly, if I could have a little more time, Mr. Chairman.

For us to say that we should not pay because others do not pay is always going to be a circular process. Nobody is going to do anything. But for us to say, "This is what we are going to do. We do not necessarily think it is right. But if this is what you say we owe, we are going to pay this. And if there is any question later on, we expect to be reimbursed, but we are going to step up to the plate right now."

As far as any cost reductions are concerned, if you start out on a road with a particular project or a particular number in mind, you do not end up there, but at least there is something specifically which drives the internal reform which we cannot do as outsiders.

Thank you very much.

Chairman GILMAN. Thank you, Mr. Houghton.

Mr. Payne.

Mr. PAYNE. Thank you very much. I too was very pleased to be at the United Nations with our Ambassador on Sunday and also yesterday, on Monday, to hear President Mandela and others address the Assembly.

I think that there are some inherent problems starting with 51 members and now being at 185 in itself tends to—you need to rethink how you operate, have 15 permanent members with 51 countries—I mean 15 members of the Security Council at that time, now having 185 countries where you have threefold and you are still at the 15 members.

Second, I do think that there has to be strong consideration for Japan and Germany being permanent members of the Security Council. It does not make sense to talk about 50 years ago, nothing remains the same. I think that even in "Future Shock" Toefler talked about how agencies and institutions must change. The rate of change externally has to be commensurate with the internal—or the internal change has to be commensurate with what is happening outside, and I think that some of these issues really need to be addressed.

I also feel that there needs to be a mechanism for less developing nations to have some more input into the agenda of the United Nations. I just feel that many people are using the excuse of reform because of their feeling that we ought to withdraw from United Nations, not you and Mr. Hamilton, but I have heard some of the others just feel that we can just go it alone. And for us to reduce our own dues, it is like telling the IRS "I am going to move from 30 percent taxes to 25 after next year." I mean it is great to be able to do it, but I think it is irresponsible for us to reduce our dues to peacekeeping without having some kind of orderly discussion and some kind of negotiations. But just to say that 31 percent we do not accept anymore, it is going 25 from here on forth I think is really—it is irresponsible.

I also feel that we ought to pay up the back dues. I believe that if we really want to see reform, we ought to insist on reform. I too agree that many things should change, but I just wonder if you could respond.

Do you feel that by including Germany and Japan as permanent members would be important? And, second, could you expand a wee bit more on your feeling that there should only be peace? In other words, you seem to oppose a Chapter 7 intervention only in areas where there is a peace that the United Nations—what do you suggest for Chapter 7 type of situations?

Senator KASSEBAUM. First, I very much agree with you about the Security Council, and have said I think that we need to rethink the changes to reflect the world today, Germany and Japan, I would agree. As you know, when Germany is mentioned, of course that really gives a tilt to Europe, which some would suggest that needs to perhaps not have that many permanent members representing the European Community. It gets to be a little difficult to know quite how to get around that obstacle.

But I think it should be talked about and I think ways to address that should be found just as I believe it should be expanded to include on a revolving basis some more numbers of developing coun-

tries that do need to have a voice. I would not suggest permanent members of the Security Council. I think one has to be careful not to enlarge it too much.

On the peacekeeping. I think there have been some successful efforts, Cambodia is one of recent times that it worked. I think we saw though in Somalia, and we need to think about some of the lessons there, but the United Nations went in for a humanitarian mission because there was no real peace to keep there whatsoever. So it was not peacekeeping as such. It was a humanitarian mission. And I think where it bogged down was they did not deliver on their mission. Food supplies were returned when barricades were put up. War lords were bribed. It was, in my mind, an unsuccessful effort and one of the reasons we stepped in to provide real delivery services and it saved thousands of lives.

Then as we withdrew, there was confusion about and a handoff to the United Nations what should be done in the effort, of course, when General Aideed stepped forward to exert his powers of warlord.

I just think we need to carefully assess what type of situation we are involved in and where it has worked best I would suggest is when it was a classic peacekeeping operation, in the Sinai, Golan Heights. Those to me are examples, and I think we could even say Angola now. But that is an area, again, where I think we need to carefully think for the future on how we can best handle those situations.

Mr. PAYNE. Thank you very much.

Chairman GILMAN. Thank you, Mr. Payne.

Mr. Bereuter.

Mr. BEREUTER. Thank you, Mr. Chairman.

Chairman GILMAN. Mr. Bereuter, would you be kind enough to take the chair for a few moments. Thank you.

Mr. BEREUTER. Thank you very much, Senator, for your excellent testimony and I appreciate the work that you have done on reform and that you are doing with Mr. Hamilton at this point.

Those of us who have served as delegates, and there are quite a few now in both bodies of the Congress, have come away convinced we need a strong United Nations. We have also come away embarrassed and frustrated by the corruption and inefficiency and the lack of real progress in assessing our concerns in the United Nations.

Mr. Hamilton mentioned the need for a different type of consultation, and I certainly agree. The President is not a CEO of a company. The appropriation powers are vested by the Constitution in the Congress of the United States, and, of course, as you know, he simply cannot unilaterally make those commitments and expect the Congress is simply going to fall in line.

I would like to say just a word or two on procurement and peacekeeping, and I will get your responses to the assessment issue as well, if I may.

I think when we see peacekeeping activities or election activities, when you see dozens and dozens and dozens of new vehicles simply sold because of lack of care, when you see millions of dollars stolen from safes that should have been under security, when American people cannot afford a new vehicle themselves and they see 30 and

40 disposed of by ineptness simply as if they are disposable products at an election effort that the United Nations conducts, this obviously is something we need to be concerned about as people responsible for expenditures.

Let us just look at assessment, for example. We now pay 31.7 percent of the assessment. It is supposed to come down a little bit. It is not irresponsible for us to say out of frustration after decades of asking for change that the changes be made.

Korea is assessed, for example, at 1/10 of 1 percent. Saudi Arabia has 2/10 of 1 percent. Singapore 2/100 of 1 percent. Kuwait, which owes its existence to the United Nations in an effort there, one of the richest countries per capita in the world, pays 5/100 of 1 percent of U.N. peacekeeping activities.

And the DOD incremental cost in 1994 was estimated by the news media and various think tanks at $1.2 billion. The actual figure is classified, probably to keep that information from the public. That is the only reason I can understand why it is classified.

So overall, last year the United States paid almost 45 percent of total peacekeeping costs, and we are always over 40 percent, when you consider all of our incremental costs.

I think we have to look at these sorts of numbers and ask why is there not a change? I think some of the reason there is not change is because our developed-country allies are not with us in assisting on those changes. I think they are pandering to the developing countries.

You mentioned the arrearages we are always focused upon, but as of August 31st, Germany's arrearages were $275 million; France, $240 million; the United Kingdom, $200 million; Italy, $144 million; Spain, $95 million; the Netherlands, $10 million; Belgium, $30 million. These EU countries alone at that moment, and there may be a good explanation why it did not happen, I do not know, I just know what the facts were on August 31st, they were $1 billion arrearage. On a per capita basis, their arrearages are larger than ours, even if we accept the larger amount that is said that we owe.

So, Senator, having watched that process yourself and trying to influence it, how do we get an unwilling General Assembly to make changes in assessment for our dues and for our peacekeeping dues?

Senator KASSEBAUM. I wish I could give you a surefire answer. Maybe—I do not know. I would like to think that we could exercise our leadership and the strength of our leadership to say that it must be done and to pull other nations, instead of criticizing us, I am thinking of the United Kingdom, as well as other European allies, with us to say it must be done. And South Africa and other countries that are willing to stand up and say, "We are willing to look at a reassessment," which I think must be done. And you made a very good point on the cost of the peacekeeping operations.

And I am prepared to say that if within a year, maybe put a timeframe on it, we cannot get that attention, then we have to be prepared to say is it worth staying in the United Nations. It may be the only way to force attention to what I think is crucial to our being a participant and the United Nations being relevant in world affairs today.

You have some very distinguished participants coming on the second panel who may have, from long observations of the United Nations and foreign policy, some more precise suggestions.

It is very frustrating to all of us who have worked with the appropriations process as well as the policy side of it trying to figure out how to get attention there. Boutros Boutros-Ghali is now campaigning for reelection as Secretary General, promises are made to every country on the whole, as much as we do in our own Presidential campaign, unfortunately, and we do not get I think the type of leadership at the United Nations that we need to say the time has come if we are going to be relevant for the future.

But I do not know. Maybe it is cutting off the appropriation process here. I have tended to believe not. And it should be part of the package. We tried the other way and that has not worked either.

Mr. BEREUTER. Thank you, Senator. I would just say that we look at peacekeeping costs, and today civilians abroad, conducting normal police activities, normal policeman activities, are paid six figures. Some countries are receiving $8 for every $1 they pay—$9 for every $1 they pay their troops, I think something is badly out of whack in that area too.

Senator KASSEBAUM. Well, let me say too, I think, Congressman Bereuter, that when you look at Bosnia, the same situation as Somalia, it was called a peace mission, and, again, delivering humanitarian assistance, but it was turned back when there was a barricade in the road. And that only makes the United Nations look very weak when it cannot, even with all of the money that was put into it, deliver what it was intended to deliver.

Now, it could be said lives were saved. But it could be that just tragedy was prolonged as well.

Mr. BEREUTER. Thank you.

Congressman Roth recognized for 5 minutes.

Mr. ROTH. Thank you.

I think all of us should agree that the United Nations has a role and we are thankful that we have an institution like the United Nations, but these reforms I think are a real must and something that must be done, and quite frankly I do not blame the people in Congress for demanding reforms. When you see a computer analyst at the United Nations gets $111,000 a year, gets 30 days vacation, housing subsidy, and gets an education grant tax free of over $12,000 a year. Wow. That is better than a congressman gets. An assistant secretary gets $190,000 a year, 30 days vacation, housing subsidy and over $12,000 education grants for each one of his children. Wow. That is super. The U.N. Secretary General gets $344,000 a year, housing allowances, over $12,000, again, for a child in tax-free education benefits.

Why, the President of the United States only gets $200,000 a year. No education grants, no housing subsidy. Well, I guess he does live in the White House.

But I mean, wow, these salaries at the United Nations are really exorbitant.

Now, Senator Kassebaum, I know you have given this a good deal of attention. What would you say our minimum reforms should be that we have to accomplish this year? What kind of a target do you think we should be shooting for this year?

Senator KASSEBAUM. Well, I laid out several things. One, I think we ought to pare down the number of agencies. I think there have to be designated core agencies. I think there has to be a willingness to terminate a number of the other agencies that started up some years back that do not exist and need not exist today.

And the Administration agrees with ending the large conferences that have kind of become a way of life at the United Nations. I think that would be one place to continue the focus. And I certainly think a reassessment of the dues that the individual countries pay at the United Nations, which, again, needs some careful thought in the light of each country's ability.

I mean when we look at Lesotho having paid up, that maybe is a dollar a year. I do not know, because poor Lesotho does not have much at all.

But I think that we are out of sync, and I think tough management, and that may be the hardest part of all. You cannot legislate good management. But there has to be that sort of effort. There is where I would put my emphasis, and how we get to it, I am looking to anybody who would be happy to give some advice.

Mr. ROTH. Well, I am looking for some advice, because I want to make this one of my top priorities when I am up at the United Nations And, you know, I notice that the top 15 contributors all are in arrears, all members of the Security Council are in arrears. Germany and Japan are in arrears. I think to say that "Let's go ahead and pay up," I would like to do that, but what kind of leverage do you have if you pay up?

Senator KASSEBAUM. Well, that is what I was just saying, it is the question of the chicken and the egg, and maybe we could all hold hands and say we will all pay up.

I think either we lead by example at this point, but with some tough demands laid out about what needs to be accomplished, I would suggest within a year's time. So you have some parameters around it. And some means of pulling together a group, here in the House and the Senate, which I think is important, with the Administration, and at the United Nations. But dedicated within a timeframe to not just what can be accomplished, what has to be accomplished.

Mr. ROTH. I think those are excellent suggestions.

Senator KASSEBAUM. Thank you.

Mr. ROTH. And I want to follow up on those.

Thank you very much, Senator Kassebaum.

Senator KASSEBAUM. Thank you very much, Mr. Chairman.

Mr. BEREUTER. Thank you very much, Senator, for your time and your thoughts and for your words. We very much appreciate it.

Senator KASSEBAUM. I appreciate it. And I think you may get some good suggestions from the experts who are following me.

Mr. BEREUTER. We look forward to them too.

Senator KASSEBAUM. Thank you.

Mr. BEREUTER. Thank you.

And now I would like to call on behalf of Congressman Gilman the second panel, and they are a distinguished panel indeed, Ambassador Jeane Kirkpatrick—and all three of whom have been introduced—Mr. Charles Maynes, Editor, Foreign Policy Magazine,

and Phyllis Kaminsky and Carl Smith, who are co-directors of the Coalition for United Nations Procurement Reform.

Welcome to the House International Relations Committee once again, in some cases, for testimony. We look forward to your testimony. Your entire statement will be made a part of the record and we ask you to proceed by reading or summarizing as you see fit.

Ambassador Kirkpatrick, welcome. We will start with you.

Thank you for coming.

STATEMENT OF AMBASSADOR JEANE KIRKPATRICK, SENIOR FELLOW, AMERICAN ENTERPRISE INSTITUTE; ACCOMPANIED BY CHARLES W. MAYNES, EDITOR, FOREIGN POLICY MAGAZINE; AND PHYLLIS KAMINSKY, CO-CHAIR, COALITION FOR UNITED NATIONS PROCUREMENT REFORM; AND CARL SMITH, CO-CHAIR, COALITION FOR UNITED NATIONS PROCUREMENT REFORM

STATEMENT OF JEANE KIRKPATRICK

Ambassador KIRKPATRICK. Thank you very much.

I would like to congratulate the panel for holding this hearing today. I think it is timely and appropriate and I think that it is important that the Congress focuses it attention on these issues.

I think it is fairly clear that the United Nations has some significant problems. During my four and a half years at the United Nations I used to say, for the U.S. Mission, that we took the United Nations very seriously. And we were committed as seriously as we could be to promoting and assisting its effective functioning. I still take the United Nations very seriously. And I seek its effective functioning.

I think some of the reforms needed in the United Nations are fairly routine management reforms. And they are, in fact, agreed on by almost all management experts and specialists of the developed countries who look at the United Nations. Even in the depth of the cold war, there was broad agreement between the United States and the Soviet Union on some fundamental management reforms in the United Nations, including some of the U.N. salaries and fringe benefits, which were higher and more generous than any member state.

The United States and Soviet Union had no problem agreeing on that. We had no problem agreeing that organizations that had been developed to carry out tasks should be eliminated when the tasks were completed. The United Nations needs sunset laws.

When Attorney General Thornburgh looked at the United Nations and wrote the Thornburgh Report, or when the Stimson Center looked at the United Nations, they agreed on the need for sunset rules. They agreed on the need for some fundamental reform of the Secretariat, in order to render it more accountable and more transparent. This is needed not just for this Secretary General but for every Secretary General, and not just for selected functions but for all functions.

The Secretariat should be the agent and the instrument of the member states, and it should be accountable—more accountable and more transparent than it is.

It is not enough to say simply that we choose a Secretary General every 5 years. That Secretary General should be accountable for conducting an efficient, transparent operation during those 5 years.

I believe that it is just as clear that some reform is needed in the scale of contributions to the United Nations. The scale of contributions is absurd. We have heard this morning about some examples. It no longer reflects economic realities. It was a distorted reflection of realities after World War II.

I think it is clear today the United Nations has undertaken more than it can carry out effectively in the domain of "peacekeeping".

The biggest challenge for the United Nations is to distinguish between what the United Nations can do effectively, and what is reasonable to call on it for, and what it cannot do.

It has effectively carried out in the past some small-scale peacekeeping operations where there was an armistice and a cease-fire and a will to peace on the part of the belligerents.

But to fight a war, to undertake command and control of a major conflict is, I think, manifestly inappropriate and the Secretariat is incapable of carrying out such an operation.

I might say that Secretary General Boutros Boutros-Ghali has said only recently that—and I quote, "If peace enforcement is needed in the future, it should be conducted by countries with the will to do it." And the money and the manpower he might have added. He said, "There will still be a role for the United Nations to play. It will still be necessary for the Security Council to give a mandate to whatever kind of multi-national force is decided upon, but I believe a multi-national force of NATO and other troops, paid for by their countries, is the best way to solve the problem under present circumstances."

He was speaking about Bosnia, but he was also speaking more broadly than Bosnia. And he was rather dramatically downsizing his own estimates of the capacity of the United Nations to successfully carry out military command and control.

I would like to address for just a moment the issue of America's responsibility for the U.N.'s current financial crisis.

Now, critics charge, we all know, that Americans have created the U.N.'s financial crisis by failing to pay $1.3 billion in peacekeeping arrears. These funds are mainly owed to Britain and France for their troops contributed to the UNPROFOR forces in Bosnia. It is my understanding that these funds are. I believe my information on that is reliable.

Now, that grows out of the difference between American, British and French practices. Americans neither seek nor accept payment for costs of U.S. forces assigned in the United Nations, nor for contributions—warships, planes, bombs, cruise missiles, and peacekeepers. We have tried repeatedly to persuade our affluent allies to join us in this practice. They have declined, preferring to be reimbursed at standard U.N. rates for the costs of their peacekeepers.

I think that we should bear that in mind, when we think about the charges that are being made by some of our allies, quite specifically, Britain and France, these days about the United States' failure to pay our share.

When our good friends raise questions about taxation and representation, I think it might be appropriate to recall, while we are on the subject, that the United States' assessed U.N. dues are double those of any other member, 25 percent for the United States as compared with 12.45 percent for Japan, 8.93 percent for the United Kingdom. And we are, by all measures, the largest contributor not only to the United Nations' general budget, but also we are, by all measures, the largest contributor to the budgets of all the independent agencies. And finally we make a great many voluntary contributions and that on the question of representation and taxation, it may not be wholly inappropriate to note that the U.S. share of U.N. peacekeeping has been set at 31.7 percent as compared to 34 percent for the 15 countries of the European Union. And for those contributions the United States gets one vote, while the EU gets 15.

Thank you.

[The prepared statement of Ambassador Kirkpatrick appears in the appendix.]

Mr. BEREUTER. Thank you.

We will now hear from Charles Maynes, who is the editor of *Foreign Policy Magazine.*"

STATEMENT OF CHARLES W. MAYNES, EDITOR, *FOREIGN POLICY MAGAZINE*

Mr. MAYNES. Thank you very much. I appreciate the invitation of the committee to address this issue.

It seems to me that basically there are two grand options for U.N. reform. We can either attempt to improve the United Nations we have, in which case the United Nations will play an important but marginal role in international affairs. Or we can try to adjust the institutions to the new world we face, in which case the United Nations might play a significant and growing role in helping the nation states that are members to grapple with a globalized society and economy.

It is my belief that the reform proposals of both the Administration and its critics support the first, what I would call minimalist approach.

No one can quarrel with most of the suggestions that have been made. We obviously, to quote Secretary Christopher, should "end U.N. programs that have achieved their purpose". And we want to "consolidate programs that overlap". And given the current financial situation of the United Nations, it makes sense to impose a temporary moratorium on big U.N. conferences after the current cycle is complete.

In like manner, I think all U.N. agencies would benefit from the scrutiny of an Inspector General, and if only for financial reasons, Security Council members will want to rigorously scrutinize proposals for new peacekeeping missions. If we cannot pay for the ones we already have underway, we obviously should not be launching new ones.

But we have to understand where we will end up once all these steps have been taken. We will save some millions of dollars, and that is very important, particularly in a period of domestic budget constraint. But the amount saved will not be large. The regular

U.N. budget has been kept flat at about $1 billion for some years. The main cause of the sharp increase in costs has been peacekeeping, which is coming to a pause.

Indeed, Bosnia accounts for nearly two-thirds of the U.N.'s $3 billion peacekeeping budget. If NATO assumes this responsibility, the cost to the United Nations will fall sharply, but the cost of the U.S. will not fall. Indeed, it may rise.

Moreover, this budgetary restraint, important though it is, will not constitute real reform. Financial improvement, yes, but not real reform. For the United Nations we will end up with will be easier to support financially but it will be no more capable substantively. It will be no more able than at present to grapple successfully with the growing number of problems that the U.N. members throw its way. It will be unable to act when the next Rwanda arrives. It will be unable to monitor the next safe area established. It will be no more capable than it is now of following, much less facilitating a globalized economy. It will lack money to engage in aggressive efforts of conflict prevention. It will be hard pressed to expand its programs to support the spread of democratic practices and human rights.

Already some progress is being made in the effort to make the United Nations more efficient. I mentioned the ceiling on regular budget expenses. A German national, Karl-Theodor Paschke, has been appointed in effect as Inspector General. Joseph E. Connor, the Under Secretary General for Administration, has proposed eliminating about 150 jobs in the current budget cycle and has submitted a 1995/1996 budget to the General Assembly that is $100 million less than the previous budget.

I am sure more steps will be taken, although the U.S. arrearages are now a political problem for the U.S. Mission in New York in its effort to persuade others to listen to U.S. views on U.N. reform. But we have to be honest about what we are likely to achieve. We will end up with a somewhat sharper instrument for the member states to use, but it will be basically the cold war instrument we have always known. It will not be an instrument we can use very effectively to deal with the new agenda items facing our nation.

A searching reform would start from a different direction. It would ask what kind of tasks we want to accomplish and then ask what kind of institutional instruments we need to carry them out. What are the kinds of tasks I am thinking of?

Number one, the creation and preservation of a new global security order in post-cold war World. The international system is at an unusual conjuncture in its development. For the first time since 1815, none of the great powers has serious territorial claims against the others, nor does any pose an ideological challenge to the others.

There is an opportunity to create a concert of powers responsive to vital national interests of others and respectful of international law. We should try to see what kinds of institutions are needed to bring this about. Could a reformed Security Council play this role? If not, what other institutions do we need?

Number two, the monitoring and management of a global economy. The old development formulas are decreasingly relevant for many parts of the world. Foreign direct investment in developing

countries has increased from $5 billion in 1970 to $102 billion in 1992. And now exceeds by as much as $40 billion the flow of official development assistance.

What does this mean in terms of the mandate of development agencies ranging from the World Bank to UNDP?

Number three, the ideological wars are largely dead. The United Nations has embarked on an important effort of promoting democracy and free markets. In recent years, the United Nations has sent missions of electoral assistance and advice to more than 45 countries. Are additional resources needed? Are these programs more acceptable than bilateral programs?

Number four, we face growing problems of commonality. International health, international crime, the environment. What kinds of institutions would be most effective in dealing with these?

Finally we face a growing disconnect between the mounting expenses of managing an interdependent world and the amount of money that one can legitimately expect democratically elected legislatures, necessarily concerned with problems at home, to provide.

Other countries are critical of massive U.S. arrearages, but a quick glance at U.N. accounts reveals that this is a growing problem with all of the major donors. Britain, France, Japan and Russia have been massively in arrears for the peacekeeping account even if most of them, unlike the United States, keep current their regular U.N. dues. But the problem of U.N. indebtedness is largely a problem of escalating U.N. peacekeeping costs. And the permanent members themselves account for nearly two-thirds of the problem.

How are we going to pay for the world's expanding international business with the current system when the problem is not simply a case of the U.S. not paying?

To answer questions like this, the Congress and the Administration are going to have to be bolder than they have been thus far. They are going to have to move beyond established categories. Doing so is not a liberal or a conservative issue. One of the most visionary speeches on the United Nations that has been given in recent years was uttered by none other than Ronald Reagan at Oxford in 1992. There he urged the creation of a standing U.N. force, "An army of conscience." We all know the many difficulties surrounding the idea, but President Reagan arrived at that suggestion because he did what I am suggesting. He first identified the task. In this case, stopping mass slaughter in places like Rwanda, and he then began to explore the necessary instruments. We have to have the courage to do the same thing.

Thank you for your attention.

[The prepared statement of Mr. Maynes appears in the appendix.]

Chairman GILMAN. Thank you.

Ms. Kaminsky.

STATEMENT OF PHYLLIS KAMINSKY, CO-CHAIR, COALITION FOR UNITED NATIONS PROCUREMENT REFORM

Ms. KAMINSKY. Good morning, Mr. Chairman. Thank you for inviting me to present my views this morning on United Nations Day.

For many years now I have been addressing the subject of U.N. reform from a unique perspective, as a former U.N. Secretariat official. From 1983 to 1988, I served as director of the U.N. Information Center in Washington. Those 5 years have left an indelible mark on my view of the United Nations. Having worked on the inside of the bureaucracy, I believe firmly that the U.N. staff is incapable of enacting radical reform on its own.

Despite widespread agreement on the need for such reform, abuses within the United Nations continue, often going unacknowledged and unpunished. If any meaningful change is to be achieved, member states, particularly the United States, will have to apply persistent pressure to move the U.N. Secretariat and its leadership in the direction of professional and financial responsibility.

Since I left the United Nations, I have been an international marketing consultant to U.S. companies in the aerospace, defense and electronic sectors. Given my U.N. background and experience, it was only natural that several of my clients would ask me to assist them in pursuing procurement opportunities with U.N. humanitarian and peacekeeping operations.

Sensitized by the memory of 5 years in the United Nations, marked by profound frustration and deep disappointment, I returned to the U.N. arena on behalf of American companies 2 years ago. In the back of my mind I recalled the message of a September 1993 "60 Minutes" expose of U.S. procurement practices in which Mike Wallace said that, "Millions of dollars went to a small number of preferred contractors even though their bids were far higher than other companies."

At the outset, I realized that my task would not be easy, and that fundamental changes in upgrading of U.N. procurement practices and staff were mandatory if future U.N. support for its field missions and peacekeeping operations would be sustainable.

I immediately experienced firsthand the passive role played by U.S. Government officials, both in New York and Washington, when it came to helping American companies work the system and to develop better working relationships with U.N. procurement staff.

Mr. Chairman, the contrast to the approach followed by other countries was striking. Rather than the hands-off attitude shown by U.S. officials, representatives of other countries regularly hosted demonstrations of national goods and services at their U.N. missions, inviting their nationals, who were assigned to U.N. procurement offices, to be present. Senior mission officials of other countries routinely accompany representatives of national companies when they submit their bids to U.N. procurement staff.

From my American colleagues, I heard, "We're sorry. We can't give you that information. Only the United Nations can." Or, "We don't get involved in U.N. procurement."

From U.N. officials and some U.S. Government representatives I heard, "Maybe if the U.S. would pay its bills, American companies would be treated better."

I have even heard there are some diplomats who propose penalizing countries that do not pay their U.N. assessments by withhold-

ing U.N. procurement contracts, a move directly aimed at the United States.

For me, it was very hard to explain to U.S. companies that waste and mismanagement are one thing, but deliberate attempts by U.N. bureaucrats to bypass or avoid oversight and ignore regulations is something else again.

Permit me to provide you with some examples of what my colleague and I call U.N. horror stories.

Number one. In establishing a U.N. presence in Haiti, U.N. bureaucrats attempted to exclude American companies from competing for local-area procurement decisions to be made on site in Haiti. After spending more than $1.4 billion in taxpayer funds in Haiti, and having an American commander at the helm of the U.N. peacekeeping operation for the first time, this clumsy attempt to exclude U.S. businesses was thwarted by the efforts of the Coalition for U.N. Procurement Reform, and high-level intervention by this committee and others. As a result U.S. companies were allowed to compete for procurement contracts in this region.

Number two. The contract for UNPROFOR food rations is a perfect example of how the system works. It was originally put out for bid more than a year ago, but it has still not been awarded. An American company, Star Foods Processing, is on the short list and since August 1994, the company has faced a decidedly hostile and unwelcome environment in U.N. procurement offices, including annoying requests for massive amounts of additional information every few months.

The original RFP has recently been reissued and the questionable U.N. procurement process for food rations has begun once again. In the meantime, I understand that UNPROFOR troops have been provided food rations that are procured by field commanders at premium prices on a month-to-month basis from various European governments.

Number three. The $3 billion Cambodian peacekeeping operation is particularly revealing. The operation was commanded by an Australian general and civilian operations were headed by a now very well known Japanese national. An Australian telecommunications company received a $50 million contract for a U.N. cellular network, along with lucrative follow-on contracts. Toyota Motors received a contract for $92 million for 8,044 jeeps and pick-up trucks. Chrysler, which had been competing for the business, was awarded a token contract for 30 jeeps. A Singapore-base company, Continental Offshore, with questionable financial credentials, was awarded a directed sole-source contract worth $50 million for fuel, oil and lubricants. Mobil Oil raised questions, but to no avail.

Number four. U.N. procurement officials went along with an unwritten policy apparently agreed to by the U.S. Government of providing the Russians with an additional and immediate source of badly needed hard currency. Russian airline companies were awarded most of the routine U.N. air transport business in 1993 and 1994.

Number five. American helicopter personnel employed by Evergreen International Airlines, under a contract awarded by the United Nations to service the peacekeeping mission on the Iraq-Kuwait border, were subjected to repeated harassment by Iraqi au-

thorities in the presence of U.N. officials. This resulted in the premature cancellation of their contract and unwarranted accusations of misconduct and negligence against Evergreen employees simply because they were Americans and the Iraqis wanted them removed from the area of operations.

U.N. Secretariat officials in New York acquiesced to Iraqi demands.

Mr. Chairman, in the face of these horror stories, it is difficult to understand how the Department of State, over the signature of Secretary Christopher, can routinely affirm the fairness and equality of the U.N. procurement process in a written statement to the U.S. Congress every 6 months.

Representatives of some of the companies who were involved in these horror stories are present in the hearing room today should you wish to pursue any of these matters further.

In response to the growing recognition of the difficulties faced by U.S. companies seeking to deal with the United Nations, and I might add, at the request of several Members of Congress, the Coalition for U.N. Procurement Reform was formed. The primary objective of the coalition is to make the U.N. procurement process more accountable, transparent, fair and professional. What we want is a level playing field for American business and for everyone else as well.

I want to stress in closing, Mr. Chairman, that the purpose of our coalition is not to criticize the United Nations, but rather to assist it in evolving its procurement practices toward greater fairness and openness.

We also hope that increased attention being paid to this issue will lead to greater involvement and determination by our U.S. Government colleagues in New York and Washington. However, we should not expect early and easy success.

As my former colleague, Sir Brian Urquhart recently said, "The trouble in changing the United Nations is that there is a constituency for almost every document and every part of the Secretariat."

Thank you very much.

[The prepared statement of Ms. Kaminsky appears in the appendix.]

Chairman GILMAN. Thank you, Ms. Kaminsky.

Mr. Smith.

STATEMENT OF CARL SMITH, CO-CHAIR, COALITION FOR UNITED NATIONS PROCUREMENT REFORM

Mr. SMITH. Thank you, Mr. Chairman. In the interest of time and with your permission, I will submit my statement for the record, and abbreviate it if you will permit.

Chairman GILMAN. Without objection, your full statement will be accepted in the record.

Mr. SMITH. Thank you, sir.

I too wish to thank you and the committee for this opportunity to shed some light and perhaps a little heat on the difficulties faced by American businesses seeking to do with the United Nations.

Now, at the outset, I wish to make clear that our coalition accepts the notion that the United Nations is going to be around for many years to come. And that the United States is going to con-

tinue to be one of the principal financial supporters of the United Nations.

If that is the case, we believe simply that the United States companies that wish to do business with the United Nations should be fairly treated as the United Nations goes about its business of procuring goods and services.

Five years ago this matter attracted very little attention because the pot of money that went to buy goods and services for the United Nations was fairly modest, about five hundred to six hundred million dollars. Today it exceeds $4 billion. At a time when other functions of the government, such as defense, are shrinking, this represents one of the few growth opportunities. Therefore, it is an area of great interest to American business.

There are today some 17 active U.N. peacekeeping operations around in the world, and that is where most of the growth in U.N. spending has occurred.

If contracts were awarded in this area on the basis of the best quality product, the best service, the lowest price, that would be fine. But in fact they are not. Almost invariably, we find that proximity to the procurement official, familiarity with the procurement official, your nationality, seem to have more to do with success than the quality of the details of your proposal. And that is rather frustrating.

The United States contributes, as Ambassador Kirkpatrick and others have pointed out, about 32 percent (or possibly more when you consider contributions in kind) to U.N. peacekeeping operations. But we get back no more than 19 percent in contracts for goods and services. That has been the high-water mark, based on records kept by the United Nations.

I want to stress, Mr. Chairman, that if 19 percent was a level resulting from fair and open competition on a level playing field, we would not be here to complain. But that level playing field does not exist for American companies. The truth is the U.N. procurement process is run by a collection of bureaucrats and appointees who have apparently little accountability and who freely disregard U.N. regulations.

I offer this example. There is a company in Northern Virginia that is a recognized expert in the field of integration of communications systems. The United Nations planned, about 2 years ago, to establish an integrated communications center in Geneva to coordinate their worldwide communications activities for peacekeeping operations.

This company in Virginia learned about the planned communications center. They traveled to New York and set up a meeting with the cognizant procurement official. They sat down across the table from this official and expressed their interest in competing for the project. The procurement official leaned across the table and looked at these folks and asked them suspiciously, "How did you learn about this program?" And yet the U.N. regulations require that if you've got a procurement over $100,000, it must be competed internationally. Well, so much for the rules.

Others have experienced similar frustrations and very senior people have commented on those. Former U.S. Attorney General Richard Thornburgh pointed out in his March 1993 report that

while he was at the United Nations, only 17 percent of all the U.N. contracts were awarded competitively.

Ambassador Kirkpatrick, in an article published barely a year ago, stated, "Waste, fraud, double-dipping, over-staffing and mismanagement are habits in an organizational structure that protects mismanagement in the name of multi-culturalism and sees efforts at reform as hostile to the organization."

Last year, the Deputy Assistant Secretary of Defense for Peacekeeping and Peace Enforcement Policy, at an industry symposium, described the U.N. procurement process as a "true nightmare" and one that was "inherently political".

Mr. Chairman, much needs to be done to make the process of U.N. procurement fair to all those who wish to do business with the United Nations. We believe the only meaningful way to get the U.N.'s attention is through withholding funds. We believe the Kassebaum-Solomon Amendment established that principle conclusively. You have to do it the old fashioned way by holding back money.

Now, I have very quickly here a brief summary of some of the things that are wrong. I will not read them all. I will just read the first line from each paragraph and there is more amplification in the statement should anybody wish to read that.

Number one. There is no assurance that being on the qualified bidders' list will lead to notification of a contract opportunity.

Number two. There is no system for widespread timely notification of contract opportunities.

Number three. Procurement officials enjoy broad discretion to circumvent U.N. procurement regulations.

Number four. There is no mechanism for timely notification of contract awards.

Number five. There is no neutral body to which unsuccessful bidders may appeal or challenge the award of a contract.

Number six. There is still question as to whether or not the newly installed Inspector General is truly independent and truly effective.

Number seven. There is no requirement for a public accounting of U.N. contract awards.

Number eight. The U.N. procurement process remains in the electronic stone age.

A recent Jack Anderson article noted that, "The lack of an integrated computer system remains the Secretariat's knee-jerk excuse for multimillion dollar mistakes in accounting from payroll to procurement."

Mr. Chairman, largely through the efforts of your committee, many of these issues have been or are being addressed in legislation in a way that may ultimately persuade the United Nations to mend its ways.

We are grateful to you and the committee staff on both sides of the aisle for your commitment to achieving a level playing field for American businesses. Now, will it work? Only time will tell. In the meantime, the Coalition for U.N. Procurement Reform will be pleased to play the role of watchdog and report to you whenever you require.

[The prepared statement of Mr. Smith appears in the appendix.]

Chairman GILMAN. Thank you, Mr. Smith.

And I want to thank our panelists for underscoring some of the problems that exist today and help us focus our attention as we start doing some work on U.N. reforms.

Ambassador Kirkpatrick, according to the recent 50th anniversary speeches in New York by many of the U.N. members, there appears to be very little way in the way of consensus in the U.N. reform agenda.

How do we convince other U.N. major donor nations of the urgent need to reduce waste and reign in the costs at the United Nations?

Ambassador KIRKPATRICK. Congressman Gilman, first of all, you were not here when I spoke and I just would like to say——

Chairman GILMAN. I regret it. I was called out.

Ambassador KIRKPATRICK. In your presence, I would like to offer testimony concerning the serious work that you conducted during the General Assembly in which you served as a congressional delegate. I think you studied the United Nations then, came to understand a good deal about its dynamics, and you have done good work in this committee.

I think it is very difficult. I think we probably need to regard some of these problems in more classical political terms. Our allies and our friends and our associates more often than not make decisions about U.N. contributions in much the same spirit as they make decisions about domestic politics.

I think that we should do our very best bilaterally and in small groups to persuade our allies, friends, and close associates, and other regional or international organizations to contribute more to the worthy projects. If we do not succeed, then we should contribute less. If they will not accept our standards as their guide, then we must accept their standards as our guide.

I speak now quite specifically of curtailing our assessed contributions. I think the Congress has been appropriate in seeking—acting to reduce our assessed dues. I think we should seek further action on reduction of our assessed peacekeeping costs.

I also think that we should cease to provide what the Administration calls "voluntary" contributions, which outweigh our assessed contributions in the "peacekeeping" domain, by quite a lot. We should do so unless or until our allies and other principal providers of peacekeeping support indicate by their actions a willingness to join us in greater contributions. I think about Bosnia here, and the issue of whether it is reasonable for the United States to make contributions at a really quite different scale than, say, our British and French friends, and simultaneously be reproached very publicly and energetically for our failure to pay up and do our share.

I regret to say, that is what I think. I think those are the only alternatives really.

Chairman GILMAN. I still recall your comment recently that we still are the biggest donor, the biggest contributor, to the entire U.N. operation.

Ambassador KIRKPATRICK. That is right. Every time you hear the assertion that the United States is the biggest debtor, add in your mind that we are the biggest contributor by far, by far.

Chairman GILMAN. Thank you.

For Phyllis Kaminsky and Carl Smith, I just want you to know that we have adopted a number of your suggestions and they are now working their way through the legislative process. They are now pending before the Senate.

But what specific U.N. procurement reforms should be enacted now? What is the appropriate yardstick for measuring our fair share for American companies in awarding U.N. procurement dollars.

What kind of a yardstick would you recommend?

Mr. SMITH. Mr. Chairman.

Chairman GILMAN. Mr. Smith.

Mr. SMITH. The question of fair share masks the real issue. We are not asking to get 32 percent back in contracts if we contribute 32 percent of total funding. What we are asking on behalf of American business is that we be given a level playing field and a fair and open opportunity to compete. If on that field the best we can do is 10 percent or 15 percent or 20 percent, that is all we can ask for. We are not, by any means, asking that we get back dollar for dollar.

I think the measure then is not so much in watching for an improvement in the percentages that are coming back to the United States, but rather in how American businesses are treated when they seek to do business with the United Nations. If the doors are not closed in their faces, as they were closed in the face of my client when they went up to New York and were asked, "How did you learn about this competition?" (And, by the way, they were not permitted to bid. Now, that is outrageous); when American companies are notified well in advance of a planned procurement, not just 3 days in which there is not time to prepare a proper response; when ample time is given through some notification process, such as the Commerce Business Daily, which the Department of Defense uses to publicize upcoming contract opportunities; when we have the opportunity to meet with U.N. officials in New York to discuss those upcoming contract opportunities; when we have advocacy in New York from the U.S. Mission, then we will be making some good progress toward achieving fairness.

Chairman GILMAN. Thank you, Mr. Smith.

Ms. Kaminsky.

Ms. KAMINSKY. I just wanted to add to that. Given the complexity of the United Nations and the procurement system within the United Nations, I think it behooves U.S. Government officials from the State Department and the Department of Commerce to assist U.S. companies and to be more activist in helping the companies maneuver their way through this complex bureaucratic system.

I will give you an example of an American company that I took up there, and American companies have, from time to time, gone up there and talked to U.S. Mission officials. They are good listeners, but that is not enough. They have to say, "Yes, you have a problem. We are going to call across the street and we are going to help you work it out."

I took Ceridien Corporation, which is one of our major companies in the electronics industry, to New York and they were in their fourth month of trying to be certified as a contractor that could bid

22-223 O - 96 - 2

on U.N. contracts. I took them to the U.S. Mission and at the end of the meeting, the representative of Ceridien turned to a U.S. Mission representative and said, "Let me give you a copy of our application, so that you can have it for your records and maybe you can figure out what we are doing that is taking it so long to happen." And the Ambassador's assistant said, "Oh, no, no. We don't want anything from your company. We don't want anything in our files from your company."

On the contrary, it would seem to me that he should have said, "Yes, please give it to me. Let me read it over. Let me see how I can help you. Let me call across the street and see if I can move it along quicker."

So listening is not enough. I think we need more activism on the part of U.S. Government officials.

Chairman GILMAN. Thank you.

To both Mr. Maynes and Ambassador Kirkpatrick, can we hope to rein in the continual growth of the U.N. program budget? It is my understanding that the Administration is proposing a negative number growth budget where any program additions or add-ons for inflation would be absorbed within the overall budget.

What are your suggestions to try to further reduce U.N. costs and overhead, and to what extent can we get that through the U.N. antiquated system?

Mr. MAYNES. As I indicated in my testimony, Mr. Chairman, the vast majority of the increases in the U.N. budget are in the peacekeeping area, and I presume that because of the developments that have taken place in the negotiations between the Administration and the Congress, there is going to be a pause in future peacekeeping.

I would point out that in terms of assessments for peacekeeping, the United States has a veto in the Security Council. We could the next time a peacekeeping operation is proposed demand that there be some kind of change in the financing arrangements. That is certainly within the power of the Administration at any point.

Chairman GILMAN. Ambassador Kirkpatrick, do you want to make a comment on that?

Ambassador KIRKPATRICK. I would only add that the choice is not to support peacekeeping or to do nothing in the world to support U.N. Security Council operations in the conflict resolution field.

In Desert Storm or in the Korean War, the United States, of course, and all the other members of the Security Council authorized the action. And member states and regional organizations supported the costs. So this is another alternative, which is not a U.N. force to be sure, but they were very effective, rather more effective than U.N. peace operations have been and less costly to the United Nations itself.

Chairman GILMAN. Thank you.

Again, I want to thank the panelists.

Mr. Hamilton.

Mr. HAMILTON. Mr. Chairman, thank you, and thank you all for your excellent testimony.

I am really interested in what specific reforms you would suggest. For example, as you look at the United Nations, are there agencies you think we can eliminate? And if so, what are they?

I don't mean to put you on the spot, but what I think you said is you thought we ought to focus on core functions. What should we just knock out?

Ambassador KIRKPATRICK. Yes. I believe that the agencies devoted to development——

Mr. HAMILTON. Could pretty well be knocked out?

Ambassador KIRKPATRICK. There are too many of them. They are redundant and overlapping. Some are efficient and some are not. We should seek to streamline organizations devoted to development. Senator Kassebaum mentioned that, and I know you have written about that as well. I think it would be important to reduce the number of separate agencies concerned with development and leave programs in, the more effective ones.

Mr. HAMILTON. What about UNCTAD? Could that be knocked out?

Ambassador KIRKPATRICK. I frankly think UNCTAD is an important candidate for total elimination entirely.

Mr. HAMILTON. And what about the United Nations Industrial Development Organization?

Ambassador KIRKPATRICK. I have never been quite clear what it did. I never was, I am sorry to say.

Mr. HAMILTON. It ought to be a candidate for elimination.

Ambassador KIRKPATRICK. I think it ought to be a candidate for elimination, right.

Mr. HAMILTON. Mr. Maynes, do you have any agencies you are aiming at?

Mr. MAYNES. UNIDO would be high on my list.

Mr. HAMILTON. What would?

Mr. MAYNES. UNIDO would be high on my list.

Mr. HAMILTON. OK. And Ambassador Kirkpatrick agrees with that.

Ambassador KIRKPATRICK. I agree with that.

Mr. MAYNES. I think that if we are forced to look at other agencies because of financing constraints, we should look at the agricultural agencies. In Rome, we have IFAD, the World Food Program, and FAO, all in the same city. And so one question would be whether there could not be some kind of consolidation there that would save money.

Mr. HAMILTON. In the Congress, there has been a lot of—I do not want to exclude Ms. Kaminsky or Mr. Smith on this. I do not know whether it is particularly aimed at you, but there has been a lot of focus in the Congress on the Inspector General.

Would you agree generally that we ought to strengthen the powers of the Inspector Generals in the United Nations?

Ambassador KIRKPATRICK. I believe that the initiative of the Administration to insist on the appointment of an Inspector General, an independent Inspector General, was important. I do not believe we yet have an independent Inspector General with adequate powers. I think it is potentially very important, along with the instigation of some other reforms to provide for greater transparency.

Mr. HAMILTON. I noticed that in your original statement.

Would you terminate the trusteeship council?

Ambassador KIRKPATRICK. Yes. It is time.

Mr. HAMILTON. How about the general problem of travel and consultants' costs and these kind of things. Do you think there is abuse there?

Ambassador KIRKPATRICK. Congressman Hamilton, costs are very high. New York is a very expensive city. And in that expensive city, U.N. delegates live expensively and entertain expensively and travel expensively. I always remember an ad in *New Yorker Magazine,* when I was at the United Nations which showed an Intercontinental Hotel and a Concorde. And it said, "The next time you Concorde to the General Assembly be sure to stay at the Intercontinental Hotel." So help me. This ad ran for several months. I might say that no U.S. delegates would have stayed at the Intercontinental Hotel because it would have been a violation of the law, needless to say. Or "Concorded" across the Atlantic.

Mr. HAMILTON. I'll tell you what I am interested in at this point. I think there is very broad agreement that we need reform. And I think your testimony, all of you, including Mr. Smith and Ms. Kaminsky, have been helpful to us.

I am really interested now in developing a kind of reform proposal, upon which there would be very broad agreement and consensus, at least in the U.S. Government, so that we can begin to push it in the United Nations. We are going to have an awful lot of problems when we begin to push a reform proposal because reform means different things to different people.

But it seems to me we are at the point now where we have to really develop considerable specificity with regard to reform. And that is what I am driving at. I think you have advanced that, our understanding of that, in your testimony today and I appreciate that very much.

Thank you, Mr. Chairman.

Chairman GILMAN. Thank you, Mr. Hamilton.

Mr. Roth. I am sorry. Mr. Houghton.

Mr. HOUGHTON. Thank you very much.

Ladies and gentlemen, good to have you here. Thank you very much.

I am interested in two issues. One is cash and the other is management. As far as the cash is concerned—I have a list here—of the 10 top nations who are in arrears in both the regular and the peacekeeping fund. The United States is way out in front.

Now, forget about the peacekeeping for a moment. As far as the regular expenses for the United Nations, of the top 10, it is $671 million. This is through September 30, 1995. The United States is $527 million. And so if you forget the peacekeeping, I mean the huge amount of preponderance of the United States debt to this organization, to me it does not make any sense at all. Just does not.

Second, I do not know about the Inspector General, but I do know that there is a very, very capable fellow. He used to be head of Price Waterhouse called Joe Connor, who is there trying to sort things out. Of course, one of the problems is that he was trying to keep the thing going and he is wrestling around and trying to get cash, and he would like to be able to borrow, and you cannot borrow in the United Nations.

Have any of you talked to Joe Connor? What does he feel? He is the fellow who is in there really trying to organize the manage-

ment. Not necessarily the fraud, but the management of this organization. What has he said?

Mr. MAYNES. I have read his testimony and I also spent this morning reading the first report by the Office of Internal Oversight Services, and I can tell you it is a tough report. It is very critical. It may be that this man, Mr. Paschke, needs enhanced powers, but this is a very tough report.

Mr. HOUGHTON. And this is Connor's report?

Mr. MAYNES. This is the——

Mr. HOUGHTON. No, Joe Connor. That is the man I wanted to ask you about.

Mr. MAYNES. I am just saying that these are the two reforms we——

Mr. HOUGHTON. But what about Joe Connor?

Mr. MAYNES. Joe Connor has submitted the first budget in a long time, maybe ever, that actually reduces the budget. It is $100 million less.

Mr. HOUGHTON. Right.

Mr. MAYNES. And he has proposed a reduction of 150 jobs.

Mr. HOUGHTON. Right. Have you talked to him? Does he make sense? Is it out of this world or what?

Mr. MAYNES. No. I think he is on the right course.

Mr. HOUGHTON. Have you any of you talked to him?

Ambassador KIRKPATRICK. I have not talked to him but I have talked to Ambassador Albright several times, and I would like to say that I think she takes a serious energetic interest in internal reform of the United Nations. She has personally, as I understand it, played a role in his appointment and does follow through in pushing internal reform.

The United States has limited powers in the United Nations. That is the biggest single limit on what she has been able to do—relevant to the Inspector General too.

Ms. KAMINSKY. I would like to add that Mr. Connor is responsible for U.N. procurement. He is the ultimate authority and he is the senior American at the United Nations. He is also surrounded by a number of bureaucrats that do not tell him everything and he signs things that unfortunately he is not well briefed on from time to time by his staff.

He will not meet with American contractors or companies.

Mr. HOUGHTON. No, no, wait a minute, wait a minute. Let me just get back on track.

What does Joe Connor say about solving the problem that you feel so strongly about? Forget about the incidental horror stories.

Ms. KAMINSKY. The Haiti procurement horror story originated in Mr. Connor's office with his staff.

Mr. HOUGHTON. So you do not have much confidence in him.

Ms. KAMINSKY. The position was reversed after it was brought to his attention. I think he is definitely well meaning and wants to do the right thing. But I do not know if he can. As the Ambassador said, we have limited power at the United Nations as Americans.

Mr. HOUGHTON. Let me just put words in your mouth. Then you take them out. I am sure you will.

So what you are saying is that our attempts have not worked. Mr. Connor is not doing the job, although maybe he wants to do

the job, has not been able to do the job, therefore something else has to be done.

Ms. KAMINSKY. I am not saying that at all. I am saying that the staff that works with him on procurement and management issues has to be revamped.

Mr. HOUGHTON. But that is great. A lot of things ought to be done. Is he capable of doing that?

Ms. KAMINSKY. Oh, absolutely.

Mr. HOUGHTON. And has he got the backing of the United States to be able to do that?

Ms. KAMINSKY. Yes, I would say he does. Yes.

Mr. HOUGHTON. OK.

Thank you very much, Mr. Chairman.

Chairman GILMAN. Thank you, Mr. Houghton.

Mr. Roth.

Mr. ROTH. Well, I thank you, Mr. Chairman. I think, Mr. Chairman, the testimony we have had this morning is a pretty good briefing for me when I go up to the United Nations. I have been up there several times and I want to take my role very seriously.

Chairman GILMAN. You have your work cut out for you.

Mr. ROTH. It sure looks like it. Too many people living too expensively, managed too poorly, procurement out of kilter. I think I will have enough to do.

I am very much interested in the testimony this morning. I also was interested in Mr. Hamilton's reform list. I think that is important for us to have as sort of a gauge to go by so when we sit down and talk with other members in committee meetings and so on to go to recall.

Ambassador Kirkpatrick, when I asked Senator Kassebaum about the list of things that should be done, I jotted down she said, "Pare down the number of agencies and large international conferences, reassess the dues schedule, and tougher management."

And to that, you added, I would think, a revision of the assessment level and seek to revise our voluntary contributions.

Is that pretty accurate?

Ambassador KIRKPATRICK. Right. I think so. And I must say that I agree with all of Senator Kassebaum's proposed reforms.

May I propose another?

Mr. ROTH. Sure.

Ambassador KIRKPATRICK. It is a U.S. organizational measure. I believe that it is appropriate for the U.S. Mission to add to its own composition a person whose job it is to be helpful to U.S. business and industry in its dealings with the United Nations. And I believe that that person cannot be provided by the Department of State because it does not feel quite comfortable with representing American industry in the way that other countries help their nationals. And I think a person probably should be drawn from the Department of Commerce or even Labor. This is a specific reform that could help with the problem that we heard about from Ms. Kaminsky.

Mr. ROTH. That is a great suggestion. I want to follow up on that. Unfortunately, you know, the Commerce Department is being done away with, but that is a good suggestion. Maybe we can find another slot somewhere.

Ambassador KIRKPATRICK. A lot of good people are available.

Mr. ROTH. Yes, exactly. And I am going to follow up on that. I have jotted these suggestions down and I am going to follow up on them and I expect to get back to you, Ambassador Kirkpatrick, and Senator Kassebaum, and say, "Hey, here is what we were able to do this year" because I think that will give me more incentive too.

I was interested too, Mr. Chairman—I have read about this procurement mess and so on, and read about these horror stories. Quite frankly, this is what the congressmen have read to. It is sort of a metaphor for what is going in the United Nations many times. You know, that is the story we get here on Capitol Hill.

And on the Chairman's question on the yardstick. You said the measure is to have U.S. companies be treated by the United Nations and by the U.S. Mission.

What are the five changes that you think would be important? Mr. Smith.

Mr. SMITH. I have listed eight in my testimony.

Mr. ROTH. You get prioritizing over there. Maybe we need a little shorter list. You know, two or three of the things that are of utmost importance.

Mr. SMITH. First, I think the early notification of contract opportunities is essential to allow companies to prepare bids. And there must be some formal way of making that a widespread notification. It has got to be done in some sort of a widely published document. We are perfectly capable of publishing that information in the Commerce Business Daily.

Second, there must be some sort of a neutral body to hear challenges to contract awards. Right now if a contract is awarded and you believe there is some irregularity in it and you challenge the award, you may end up on the black list and you may be suspended from further bids until you withdraw your challenge. The IG, if he's effective, could help in establishing that sort of appeal board.

Those two recommendations certainly would be high on my list.

Mr. ROTH. There is no IG presently at the United Nations, is that right?

Mr. SMITH. Well, there is, as a result of recent legislation out of this committee. The question is whether or not that IG is truly independent, does he have the charter that was envisioned by the Congress when the creation of that position was mandated. Personally I do not think he has been given the authority that this Congress envisioned. I think that is something that needs to be studied very carefully. The jury is still out.

There must also be prompt public announcement of the award of contracts, so that if somebody does want to challenge an award, they can do it. Right now months can pass after an award is made before the unsuccessful bidders learn about it, frequently through the grapevine. There is currently no formal notification process.

I would put those four recommendations right at the top. In looking at the process, we have identified eight. There could be 20, when one takes more time. And they are all important if the process is to work fairly.

Mr. ROTH. And I hope the companies that have had experience with this problem at the United Nations will stay in touch with my office too. I would appreciate hearing from them also.

Thank you very much.

And thank you, Mr. Chairman.

Chairman GILMAN. Thank you.

Mr. Chabot.

Mr. CHABOT. Thank you, Mr. Chairman.

I would like to thank the panel for their testimony here this morning. And I thank the Chairman for calling this.

And in the interest of time, I am going to be relatively brief with a statement, and then I just have a question for Ambassador Kirkpatrick.

My concern is that the United Nations, to a considerable degree, has become a bloated, wasteful, inefficient and too-often corrupt institution. The United Nations is going to have to, I believe, tighten its belt just as we in the Congress are now trying to do with the Federal Government.

There is certainly a lot of belt tightening going on here and I think we have to continue to do that. I do think that the United States pays far more than its fair share in funding the United Nations, both the bureaucracy at the United Nations and also U.N. peacekeeping efforts. And it now also appears that U.S. taxpayers and U.S. businesses are quite frankly being ripped off with procurement practices that are being carried at the United Nations

And, you know, just yesterday, the United States was criticized by John Major and other world leaders about being in arrears in our payments to the United Nations.

My question to Ambassador Kirkpatrick, who I have a tremendous amount of respect for. I have heard you speak a number of times, both here and in my community of Cincinnati, and I have always enjoyed it thoroughly.

What do you think Congress's role should be now in attempting to reform the United Nations and to reduce some of this bloated bureaucracy that we see in that institution? And how should we link that reform to the payments that we ultimately have to make to the United Nations that we are in arrears on? What should be the relationship and the timing on that?

Ambassador KIRKPATRICK. I was going to comment earlier about our arrears in the regular budget. You know, our arrears in the regular budget are to a significant extent, as everyone here knows, a function of the difference between our fiscal year and the U.N.'s fiscal year.

I no longer feel that there is a good and adequate reason for the United States to insist paying its U.N.-assessed dues only in conformity with our fiscal year. I would be happy to see us reduce our arrearage by bringing our payments in to some sort of alignment with the U.N.'s billing practices.

I do not think that there is an issue of principle involved here or of administration. It would not do us any harm and it might help the United Nations. I would do that.

Now, what about the Congress? If I were the Congress, however, I would urge it to take its oversight functions very seriously. I would urge the Congress, Republican, Democrat, any Congress, to insist that the United States desist in the practice of, "voluntary contributions above budget" until and unless some other affluent members are willing to join in such practices, not on a token basis,

which is what they have done, but on a level comparable to ours. It makes no sense for us to simultaneously be reproached as the world's greatest deadbeat and be not just the principal contributor to the United Nations, but the principal contributor of non-assessed contributions above budget.

I think the Congress, with its control over appropriations and authorizations, should change that practice.

I am about to make a stronger suggestion—I believe the Congress should insist that this Administration and any administration undertake prior consultation and receive prior authorization from the Congress before it commits the United States under Chapter 7. Now, Chapter 7, as you know, is the section of the U.N. Charter that provides for the use of necessary force. If the Security Council is proposing to act under Chapter 7—thereby to seek funding from the member states and to trigger assessed payments from member states, then I think that Congress should act both because of its responsibility for appropriations and because of its responsibilities to declare war. Any Chapter 7 authorization by the Security Council is very likely to trigger major financial obligations for the United States and even a demand for troops. And I think that there should be prior consultation and authorization by the Congress.

I urge the Congress to consider this.

Mr. ROTH. Thank you very much, Ambassador.

Chairman GILMAN. Well, again, I want to thank our panelists for their time, and recommendations, as we start into our consideration of the U.N. reform agenda.

I would welcome any additional recommendations that you may have as we pursue this issue.

Again, the committee thanks you for your time and efforts.

And the committee stands adjourned.

[Whereupon at 12:25 p.m., the committee was adjourned.]

APPENDIX

Reform of the United Nations
Testimony of Senator Nancy Landon Kassebaum
Committee on International Relations
House of Representatives
October 24, 1995

Mr. Chairman, thank you for inviting me to testify today at this important hearing on the 50th anniversary of the United Nations. It is a pleasure to join you and the distinguished ranking member, Mr. Hamilton, with whom I have worked closely in recent months in a bipartisan, bicameral approach to U.N. reform.

My message today is simple: America is better off with a United Nations than without one, but without substantial reforms the U.N. will not remain relevant to the needs of our time.

We have talked about U.N. reform for years, but we have not accomplished much. Perhaps the task is just too large. But without substantial reform, I worry that America's role in the United Nations will suffer death by a thousand cuts. Critics will whittle away at our ability to participate, either financially or physically, in U.N. activities. And, frankly, without substantial reforms at the United Nations, I myself--as a U.N. supporter--would have to wonder whether at some point America should walk away.

Why America Needs the United Nations

Some have suggested that America does not need the United Nations. I strongly disagree.

- We sometimes need the U.N. to support our diplomacy, as we saw in constructing the delicate international coalition that evicted Saddam Hussein from Kuwait.

- We need the U.N. to help us fight the spread of weapons of mass destruction, as the International Atomic Energy Agency (IAEA) has done in places such as North Korea and Iraq.

- We need the U.N. to help ease the terrible suffering of refugees, and the U.N. High Commission for Refugees performs important work around the globe from Hong Kong to Rwanda to Bosnia.

- We need the U.N. to help coordinate the fight against emerging diseases that know no national borders and the World Health Organization (WHO) has been important in our response to outbreaks of the Ebola virus, HIV, malaria, and the plague.

- And, we need the U.N. because Americans will not stand idly by as children suffer. Perhaps the strongest support in Congress is reserved for the good work of UNICEF.

These tasks go to the core of what, to my mind, most Americans want the United Nations to do and what we want it to be. But, to many Americans--including many in Congress--these good works are rare islands in a much larger swamp that is the United Nations.

The U.N. suffers from trying to be too much to too many. Many Americans see redundant programs and functions within a United Nations that has too many agencies. I seriously doubt that anyone on this committee--the International Relations Committee of the House of Representatives--can name from memory more than half of the agencies of the United Nations. I certainly cannot. We must ask ourselves whether these agencies really are priorities.

Many Americans see no focus and no real sense of priorities at the U.N. They see waste and mismanagement that costs the U.N. money, efficiency, and respect. They see enormous conferences that make the whole organization seem little more than a global talk show. They see a series of conventions and treaties which, while well-intentioned, seem to intrude on matters more effectively handled by states themselves. And, they see a general lack of leadership and good management that can lead the organization into the 21st century.

Kassebaum-Hamilton Reform Proposals

Congressman Hamilton and I have suggested four areas on which to concentrate efforts at reform. We would pare down the number of U.N. agencies and have only a handful, each serving a core function of the organization.

We would put an end to the international conferences that do so much to tarnish the U.N.'s image in the public mind.

We would restrict peacekeeping operations to their "classic" form in which there is a solid peace to be kept.

And, we would take steps to strengthen accountability at the United Nations, including making sure the Inspector General has full and free access to information throughout the organization.

How to Proceed

Many of us have our own substantive ideas for reform. To my mind, two things are most important at this time.

First, we must build a consensus--within the Congress, with the administration, and also among our allies and the key donors to the U.N. system--on what we want to accomplish. We must develop a clear vision of what, together, we want the U.N. to be. We must outline clearly the reforms we expect to see implemented. And, we must work together with our friends and allies to bring real and dramatic change to the United Nations. I do not pretend this is simple. But neither was it simple when the U.N.'s founders undertook a similar effort--from scratch--half a century ago. Like them, we must be forward-thinking, forceful, and clear in our objectives. We must be leaders.

Second, I believe we should enter this debate from a position of strength. We should pay our bills to the U.N. so we can be the strongest possible advocate for reform. If we paid all we owe--currently between $1.2 billion and $1.4 billion, depending on which figures one accepts--we would be in rare company indeed. Today, only one country has paid its assessments in full. In fact, many of those who criticize us for not paying our bills--including our friends--are, themselves, in arrears. As we assume leadership for reform, I would like to turn the tables on those who call us "deadbeats."

I know the Clinton administration shares my support for reform. The President himself has addressed the subject, and I have appreciated the opportunity to discuss this matter with key administration officials. But I must say that, to date, I do not believe the administration has been bold enough. It is not sufficient merely to push for changes that are *doable*. I believe we must clearly develop our agenda for reform based on what is *desirable*. Nothing less than a consensus on our vision for where we want the U.N. to go and how we intend for it to get there will satisfy critics in Congress--not even those of us who support the organization.

Need to Clarify our own Thinking

Let me say, finally, that I firmly believe we must take care that this debate about U.N. reform not descend into the mundane. While we must be very specific about what changes we are demanding, this is not a debate about technical details. This is an issue of leadership--America's leadership in the world, and America's leadership at the United Nations. We should have a debate about objectives--what is our best hope, and our best expectation, for what the U.N. can be?

That is why I believe that reform must start with our own thinking about what the U.N. is and what its role should be in American foreign policy. We cannot expect the United Nations to be clearer in purpose than is its most powerful member state.

At its core, the U.N. is a collection of sovereign states and is beholden to them for guidance, funding, and--ultimately--legitimacy. The political decisions that drive the organization and define its proper role in international politics must be made in national capitals, not in New York.

I have grown increasingly concerned about the tendency toward a fuzzy multilateralism that has come to mark U.S. policy toward the United Nations. We have shown a penchant for "dumping" difficult problems in the lap of the United Nations and then complaining when no solution is forthcoming. The tragedy in former Yugoslavia may be the most dramatic current example of this phenomenon. The truth is we cannot so easily wash our hands of difficult decisions.

The United Nations is not a substitute for American leadership in international affairs; rather, it is one avenue available to us to exercise that leadership.

I believe we must own up to the truth about our role in the United Nations. The U.N. has many failures. But we fool ourselves if we merely point fingers at New York and blame the United Nations for its shortcomings. The United States is first among equals in the U.N. system. The successes, and failures, of the United Nations are, in reality, our own.

Committee on International Relations October 24, 1995

House of Representatives

Statement of Charles William Maynes, Editor, FOREIGN POLICY

I want to thank this committee for the opportunity to express my views on the important subject you are considering at this hearing: "The United Nations at 50: Prospects for Reform."

My invitation said that I should explore various options for UN reform and assess what role the UN should play in American foreign policy in the post-Cold War era. I will briefly try to address those two subjects:

OPTIONS FOR UN REFORM

Basically, there are two grand options for UN reform. We can either attempt to improve the UN we have, in which case the UN will play an important but marginal role in international affairs, or we can try to adjust the institutions to the new world we face, in which case the UN might play a significant and growing role in helping the nation states that are members grapple with a globalized society and economy. It is my belief that the reform proposals of both the administration and its critics support the first, minimalist approach.

Thus Secretary Christopher's speech before the General Assembly this fall lays out a number of useful measures to improve the efficiency of the UN as we have known it. If successful, the UN that emerged would be smaller and more efficient.

Who, in fact, can oppose ending "UN programs that have achieved their purpose" or consolidating "programs that overlap"? Given the current financial condition of the UN, it also makes

Committee on International Relations October 24, 1995

House of Representatives

Statement of Charles William Maynes, Editor, FOREIGN POLICY

I want to thank this committee for the opportunity to express my views on the important subject you are considering at this hearing: "The United Nations at 50: Prospects for Reform."

My invitation said that I should explore various options for UN reform and assess what role the UN should play in American foreign policy in the post-Cold War era. I will briefly try to address those two subjects:

OPTIONS FOR UN REFORM

Basically, there are two grand options for UN reform. We can either attempt to improve the UN we have, in which case the UN will play an important but marginal role in international affairs, or we can try to adjust the institutions to the new world we face, in which case the UN might play a significant and growing role in helping the nation states that are members grapple with a globalized society and economy. It is my belief that the reform proposals of both the administration and its critics support the first, minimalist approach.

Thus Secretary Christopher's speech before the General Assembly this fall lays out a number of useful measures to improve the efficiency of the UN as we have known it. If successful, the UN that emerged would be smaller and more efficient.

Who, in fact, can oppose ending "UN programs that have achieved their purpose" or consolidating "programs that overlap"? Given the current financial condition of the UN, it also makes

sense to improve a temporary moratorium on big UN conferences after the current cycle is complete. The UN must adjust its profile to the financing that it likely to be available. It does little good to identify new needs when we cannot adequately support the needs that have already been accepted.

In like manner, all UN agencies would benefit from the "scrutiny of an inspector general." And, if only for financial reasons, Security Council members will want to "rigorously scrutinize proposals for new and extended peacekeeping missions." If we cannot pay for the peacekeeping operations now underway, it makes no sense to embark on new ones.

But we should understand where we will end up once all of these steps have been taken. We will save some millions of dollars and that is important. Indeed, it is critical in a period of domestic budget restraint. But we should understand that the overall amount saved will not be large. The regular UN budget has been kept flat at around $1 billion for some years. The main cause of the sharp increase in costs has been peacekeeping, which is coming to a pause. Indeed, Bosnia accounts for nearly 2/3 of the UN's $3 billion peacekeeping budget. If NATO assumes this responsibility, the cost of the UN will fall sharply but the cost to the US will not fall. Instead, it will probably rise.

Moreover, this budgetary restraint, important though it is, will not constitute real reform. Financial improvement, yes, but not real reform; for the UN we will end up with will be easier to support financially but it will be no more capable substantively. It will be no more able than at present to grapple successfully

with the growing number of problems that the member states throw its way. It will be unable to act when the next Rwanda arrives. It will be unable to monitor the next safe area established. It will be no more capable than it is now of following much less facilitating a globalized economy. It will lack money to engage in aggressive efforts at conflict prevention. It will be hard pressed to expand its programs to support the spread of democratic practices and human rights.

Already some progress is being made in the effort to make the UN more efficient. I have already mentioned the ceiling on regular budget expenses, which means a cut in a time of modest inflation. A German national, Karl-Theodor Paschke, has been appointed to create a sound accounting system. Joseph E. Connor, the Undersecretary General for Administration and Management, has proposed eliminating about 150 jobs and has submitted a 1995-1996 budget to the General Assembly that is $100 million less than the previous budget.

I am sure that more steps can be taken and will be taken although the US arrearages are now a political program for the Mission in its effort to persuade others to listen to US views on UN reform. But we should be honest about what we are likely to achieve. We will end up with a somewhat sharper instrument for the member states to use but it will basically be the Cold War instrument we have always known. It will not be an instrument that we can use very effectively to deal with the new agenda items facing our nation.

A SEARCHING REFORM

A searching reform would start from different direction. It would ask what are the tasks that we want to accomplish and then ask what kinds of institutional instruments we need to carry them out. If existing organizations could not fulfill these tasks, they would then have to be reformed or abandoned.

What are the tasks I am thinking of? They are:

--The creation and preservation of a new global security order in a post-Cold War world. The international system is at an unusual conjuncture in its development. For the first time since 1815, none of the great powers has serious territorial claims on the others; nor does any pose an ideological challenge to the others. There is an opportunity to create a concert of powers responsive to the vital national interests of others and respectful of international law. We should try to see what kinds of institutions are needed to bring this about. Could a reformed Security Council play this role? If not, what other institutions do we need?

--The monitoring and management of the globalized economy. The old development formulas are decreasingly relevant for many parts of the world. Foreign direct investment in developing countries has increased from $5 billion in 1970 to $102 billion in 1992 and now exceeds by as much as $40 billion the flow of ODA (official development assistance). What does this mean in terms of the mandate of development agencies from the World Bank to UNDP?

--The ideological wars are largely dead. The UN has embarked on an important effort at promoting democracy and free markets. In

recent years, the UN has sent missions of electoral assistance and advice to more than 45 countries. Are additional resources needed? Are these programs more acceptable than bilateral efforts?

--We face growing problems of commonality--international health, international crime, the environment. What kinds of institutions would be most effective in dealing with them?

--Finally, we are facing a growing disconnect between the mounting expenses of managing an interdependent world and the amount of money that one can legitimately expect democratically elected legislatures, necessarily concerned with problems at home, to provide. Other countries are critical of the massive US arrearages. But a quick glance at UN accounts reveals that there is a growing problem with all of the major donors. Britain, France, Japan, and Russia are massively in arrears for the peacekeeping account even if most of them, unlike the United States, have kept current in the regular UN dues. But the problem of UN indebtedness is largely a problem of escalating UN peacekeeping costs; and the permanent members themselves account for nearly two/thirds of the problem. How are we going to pay for the world's expanding international business with the current system when the problem is not simply a case of the US not paying?

To answer questions like this, the Congress and the Administration are going to have to be bolder than they have been thus far. They are going to have to move beyond established categories.

Doing so is not a liberal or a conservative issue. One of the more visionary speeches on the United Nations that has been given

in recent years was uttered by none other than Ronald Reagan in Oxford in 1992. There he urged the creation of a standing UN force--"an army of conscience." We all know that there are many difficulties surrounding such an idea but President Reagan arrived at that suggestion because he did what I am suggesting: He first identified the task, in this case stopping mass slaughter in places like Rwanda, and then he began to explore the necessary instruments.

We must have the courage to do the same thing.

Thank you for your attention.

TESTIMONY OF MRS. PHYLLIS KAMINSKY
CO-EXECUTIVE DIRECTOR
COALITION FOR UNITED
NATIONS PROCUREMENT REFORM

BEFORE

THE HOUSE COMMITTEE ON
INTERNATIONAL RELATIONS
OCTOBER 24, 1995

Good morning, Mr. Chairman:

Thank you for inviting me to present my views this morning on United Nations Day. For many years now I have been addressing the subject of U.N. reform from a unique perspective - as a former U.N. Secretariat official. From 1983-1988 I served as Director of the U.N. Information Center in Washington. Those five years have left an indelible mark on my view of the U.N.

Having worked on the inside of the bureaucracy, I believe that the U.N. staff is incapable of enacting radical reform on its own. Despite widespread agreement on the need for such reform, abuses within the U.N. continue -- often going unacknowledged and unpunished. If any meaningful change is to be achieved, member states, particularly the U.S., will have to apply persistent pressure to move the U.N. Secretariat and its leadership in the direction of professional and financial responsibility.

Since I left the U.N., I have been an international marketing consultant to U.S. companies in the aerospace, defense and electronics sectors. Given my UN background and experience, it was only natural that several of my clients would ask me to assist them in pursuing procurement opportunities with U.N. humanitarian and peacekeeping operations.

Sensitized by the memory of five years in the U.N. marked by profound frustration and deep disappointment, I returned to the U.N. arena on behalf of American companies two years ago. In the

back of my mind I recalled the message of a September 1993 "60 Minutes" expose of UN procurement practices in which Mike Wallace said that "millions of dollars went to a small number of preferred contractors, even though their bids were far higher than other companies".

At the outset, I realized that my task would not be easy and that fundamental changes and upgrading of U.N. procurement practices and staff were mandatory if future U.N. support for its field missions and peacekeeping operations would be sustainable.

I immediately experienced, first hand, the passive role played by U.S. Government officials, both in New York and Washington, when it came to helping American companies "work the system" and to developing better working relationships with U.N. procurement staff.

The contrast to the approach followed by other countries was striking. Rather than the "hands off" attitude shown by U.S. officials, representatives of other countries regularly hosted demonstrations of national goods and services at their U.N. missions inviting their nationals who were assigned to U.N. procurement offices. Senior mission officials of other countries routinely accompany representatives of national companies when they submit their bids to U.N. procurement staff.

From my American colleagues I heard: "We're sorry, we can't give you that information. Only the U.N. can." "We don't get involved in UN procurement." From U.N. officials and some U.S. government representatives I heard, "If the U.S. would pay its bills, American companies would be treated better." I have even heard there are some diplomats who propose penalizing countries that do not pay their U.N. assessments by withholding U.N. procurement contracts - a move directly aimed at the U.S.

It was hard to explain to U.S. companies that waste and mismanagement are one thing, but deliberate attempts by U.N. bureaucrats to bypass or avoid oversight and ignore regulations is something else again.

Permit me to provide some examples of "UN horror stories":

1. In establishing a UN presence in Haiti, senior UN bureaucrats attempted to exclude American companies from competing for "local area procurement" decisions to be made on site in Haiti. After spending more than $1.4 billion in taxpayer funds in Haiti and having an American commander at the helm of a UN peacekeeping operation for the first time, this clumsy attempt to exclude U.S. businesses was thwarted by the efforts of the Coalition for United Nations Procurement Reform and high-level intervention by this Committee and others. As a result, U.S. companies <u>were</u> allowed to compete for procurement contracts in this region.

2. The contract for UNPROFOR food rations -- which was originally put out for bid more than a year ago -- has still not been awarded. An American company, Star Foods Processing, is on the short list and since August 1994 the company has faced a decidedly hostile and unwelcome environment in UN procurement offices, including annoying requests for massive amounts of additional information every few months. The original RFP has recently been reissued and the questionable UN procurement process for food rations has begun once again. In the meantime, I understand UNPROFOR troops have been provided food rations procured by field commanders at premium prices on a month-to-month basis from various European governments.

3. The $3 billion Cambodia peacekeeping operation is particularly revealing. The operation was commanded by an Australian general and civilian operations were headed by a now well-known Japanese national.

An Australian telecommunications company received a $50 million contract for a UN cellular network along with lucrative follow-on contracts.

Toyota Motors received $92 million for 8,044 jeeps and pick-up trucks. Chrysler, which had been competing for the business, was awarded a token contract for 30 jeeps.

A Singapore-based company, Continental Offshore, with questionable financial credentials was awarded a directed sole source contract worth $50 million for fuel, oil and lubricants. Mobil Oil raised questions, but to no avail.

4. UN procurement officials went along with an unwritten policy, apparently agreed to by the U.S. Government, of providing the Russians with an additional and immediate source of badly needed hard currency. Russian airline companies were awarded most of the routine U.S. air transport business in 1993 and 1994.

5. American helicopter personnel employed by Evergreen International Airlines under a contract awarded by the UN to service the peacekeeping mission on the Iraq-Kuwait border, were subjected to repeated harassment by Iraqi authorities in the presence of UN officials. This resulted in premature cancellation of the contract and unwarranted accusations of misconduct and negligence against Evergreen employees simply because they were Americans and the Iraqis wanted them removed from the area of operations. U.N. Secretariat officials in New York acquiesced to Iraqi demands.

Mr. Chairman, in the face of these "horror stories" it is difficult to understand how the Department of State, over the signature of Secretary Christopher, can routinely affirm the fairness and equality of the U.N. procurement process in a written statement to the U.S. Congress every six months.

Representatives of some of the companies who were involved in these "horror stories" are present in the hearing room today should you wish to pursue any of these matters further.

In response to the growing recognition of the difficulties faced by U.S. companies seeking to deal with the U.N. -- and, I might add, at the request of several members of Congress -- the Coalition for U.N. Procurement Reform was formed. The primary objective of the Coalition is to make the U.N. procurement process more accountable, transparent, fair and professional. What we want is a level playing field for American business -- and for everyone else as well.

I want to stress in closing, Mr. Chairman, that the purpose of our coalition is not to criticize the UN but rather to assist it in evolving its procurement practices toward greater fairness and openness. We also hope that the increased attention being paid to this issue will lead to greater involvement and determination by our U.S. government colleagues in New York and Washington. However, we should not expect early and easy success. As my former colleague, Sir Brian Urquhart, recently said: "The trouble in changing the U.N. is that there is a constituency for almost every document and every part of the Secretariat."

COALITION FOR UNITED NATIONS PROCUREMENT REFORM

Honorary Co-Chairmen
Senator Robert Dole
Congressman Benjamin A. Gilman

Honorary Advisory Committee
Ambassador Charles M. Lichenstein
The Honorable Richard N. Perle
Senator Larry Pressler
Congressman Christopher H. Smith
Ambassador Jose Sorzano
Congressman James M. Talent
Ambassador Richard S. Williamson
Ambassador Paul Wolfowitz

Co-Directors
Ms. Phyllis Kaminsky
Mr. Carl Smith

TESTIMONY OF CARL M. SMITH
CO-EXECUTIVE DIRECTOR
COALITION FOR UNITED NATIONS
PROCUREMENT REFORM

BEFORE

THE HOUSE COMMITTEE ON
INTERNATIONAL RELATIONS
OCTOBER 24, 1995

1101 30th Street, N.W., Suite 200 • Washington, D.C. 20007
(202) 333-4261 • Fax (202) 333-5872

[This testimony follows the remarks made by Mrs. Phyllis Kaminsky.]

Mr. Chairman, it is a pleasure to be here this morning. I, too, wish to thank you and the Committee for this opportunity to focus some light--and perhaps a little heat--on the inequities faced by American businesses which seek to deal with the UN.

Five years ago, no one paid much attention to the question of whether American companies were being treated fairly in the UN procurement process. Why? Simply because the pot of money involved was too small to stir any great interest. In 1990, the total of UN procurement contracts was about $500-600 million. Today, the total exceeds $4 billion. Most of the growth has been in the area of Peacekeeping Operations (PKO). Between the founding of the UN in 1948 and 1994--a span of 46 years--there were 33 peacekeeping operations. Today there are 17 active peacekeeping operations costing UN member nations about $4 billion per year. While spending on other government functions, such as defense, continues to decline, UN spending on peacekeeping operations has become one of the rare growth markets.

But unfortunately, for many American businesses, success in this market does not necessarily flow from having the best product

(or service) at the lowest price. Success in this market, as Phyllis Kaminsky has demonstrated, appears too often to be a function of nationality or familiarity with the procurement authority rather than the details of one's proposal.

This arrangement, though still offensive, might be tolerable if U.S. concerns received in contract awards an amount roughly equal to the total annual contribution of the United States to the UN. But that is not the case. While the U.S. has contributed nearly 32% of all UN peacekeeping funds, U.S. companies receive--at most--about 19% of the contracts awarded to support those activities. [According to the 1994 Statistical Report prepared by the UN's Inter-Agency Procurement Services Office, U.S. companies received 14% of total UN procurement of goods and services in 1993 and 19% in 1994.]

I want to stress, Mr. Chairman, that if these percentages were the results of full and open competition on a level playing field, we would have no one to blame for our poor showing but ourselves. But that is not the case--the playing field is NOT level.

The truth is that the UN procurement process is operated with uncommon laxity by bureaucrats and appointees who appear to have little or no accountability and who freely disregard the UN's own procurement regulations. Consider this brief anecdote. I represent a company that is a recognized leader in the design and

integration of communications systems. This company learned of a proposed UN communications center in Geneva intended to coordinate worldwide peacekeeping operations. My client, already on the UN-approved bidders list for such activity, traveled to New York to meet with the cognizant procurement official. When they met face to face and my client expressed his interest in bidding for the contract, the procurement official looked at him suspiciously and asked, "How did you learn of this project?" That was all the procurement official wanted to know. My client was not permitted to submit a bid.

Here are some comments from others who have observed the system closely:

U.S. Attorney General Richard Thornburgh (who served as the UN Under-Secretary General for Administration and Management) released a report in March 1993 in which he noted that in 1990-1991 "of 5,450 contracts let, only 17 percent were put out for competitive bidding, contrary to UN regulations for all except emergency cases." Although expenditures have increased many fold since then, there is no evidence that the UN's procurement practices have changed in any meaningful way.

Former Ambassador Jeane Kirkpatrick stated in a recent article published in the Washington Post:

"Waste, fraud, double-dipping, overstaffing and mismanagement have dogged the United Nations from its founding. By now these

practices are habits in an organizational structure that protects mismanagement in the name of multiculturalism and sees efforts at reform as hostile to the organization."

At an industry symposium just last year, the Deputy Assistant Secretary of Defense for Peacekeeping and Peace Enforcement Policy, Ms. Sarah Sewell, described the UN procurement process as a "true nightmare" that was "inherently political."

Mr Chairman, there is much that needs to be done to make the UN procurement process fair to all those who wish to do business with the UN. As Phyllis Kaminsky stated, we believe the only way to achieve meaningful reform is from pressure brought from outside the organization. Certainly, left to their own devices, the bureaucrats at the UN are not likely to change much, if anything.

Here is a brief summary of some of the problems with the UN procurement system:

1. There is no assurance that being on the "qualified bidders list" will lead to notification of a contract opportunity. Procurement officers frequently notify only a select few companies of a contract opportunity. Selection is often a function of familiarity between the procurement official and the company seeking the business.

22-223 O - 96 - 3

2. There is no system for widespread, timely notification of contract opportunities. Often the notice of a contracting opportunity is received too late to permit a qualified company to submit a bid. In such cases, a favored few "insiders" enjoy a distinct advantage.

3. Procurement officials enjoy broad discretion to circumvent UN procurement regulations. Although current UN regulations require any contract over $100,000 to be awarded on the basis of international competition, in fact only a small fraction of UN contracts are so awarded.

4. There is no mechanism for timely notification of contract awards. There is no requirement for the UN to publicly announce the award of a contract. Losing bidders may learn of an award months after it has been made.

5. There is no neutral body to which unsuccessful bidders may appeal or challenge the award of a contract. Currently, if a contractor challenges an award or complains about the failure of the UN to make prompt payment, that company may be suspended from eligibility to bid on additional contracts.

6. There needs to be an independent Inspector General appointed with the authority to investigate alleged irregularities in the UN procurement process. It remains to be seen whether the

IG appointed in response to last year's legislation will be effective.

7. There is no requirement for an public accounting of UN contract awards. The publication of such information would go along way toward creating some confidence in the integrity of the system.

8. The UN procurement process remains in the electronic "stone age". There is no electronic bulletin board for contract opportunity or award notifications, nor the ability to submit bids electronically, nor the ability to negotiate proposals electronically. [A recent Jack Anderson article noted the "the lack of an integrated computer system remains the secretariat's knee-jerk excuse for multimillion-dollar mistakes in accounting from payroll to procurement."]

Mr. Chairman, largely through the efforts of your committee, many of these issues have been or are being addressed in legislation in a way that may ultimately persuade the UN to change its ways. Time will tell. In the meantime, the Coalition for UN Procurement Reform will continue to perform the watchdog function and will be prepared to report to you whenever you require.

Prepared Statement of Congressman Toby Roth
Before the House International Relations Committee
October 24, 1995

Mr. Chairman, let me commend you for convening this very timely hearing. Let me also join in welcoming our distinguished witnesses.

It is a privilege for me to serve as one of the Congressional representatives to the United Nations during this 50th Anniversary year. While joining in the celebration, I also approach this responsibility with a clear understanding that the U.N. must undergo fundamental changes. The issue is not whether there will be a U.N. Of course there will be. The question is, will it be relevant to today's world, and tomorrow's?

But there are strong forces within the U.N. that are resistant to change. So the role of the U.S., as I see it, is to be the catalyst for change.

To be frank, our leverage lies in our financial contribution to the U.N. As the largest stockholder, we have a right to insist on changes that will justify our continued investment in the U.N. First, the bureaucracy must be cut--substantially. Second, duplication and waste must be eliminated. That means some U.N. specialized agencies must be consolidated. Third, the U.N. policy-making apparatus must be overhauled, so it can play a role in solving today's world problems.

Lately, there are many critics of what we are trying to do in forcing changes at the U.N. But on behalf of the American people, let me say to the critics that the United States has paid more--far more--than any other country for the U.N. So we do not have to justify ourselves to anyone.

Rather, the U.N. must show that it is worthy of continued American support. In any event, the American people will not pay one-third of the U.N. budget, under any circumstances. That too, must change.

The ball is now in the court of the U.N. General Assembly. We in America await their response.

The American Legion

For God and Country

★ WASHINGTON OFFICE ★ 1608 "K" STREET, N.W. ★ WASHINGTON, D.C. 20006-2847 ★
(202) 861-2700 ★

October 24, 1995

The Honorable Benjamin A. Gilman
Chairman, Committee on International Relations
2170 Rayburn House Office Building
Washington, DC 20515

Dear Chairman Gilman:

The American Legion applauds your decision to hold hearings to mark the 50th anniversary of the United Nations. Earlier this year, The American Legion formed a study group to evaluate U.S. participation in the U.N. Enclosed is a study that was the product of that effort. Essentially, it calls for practical reforms as opposed to broader reforms or opting out of the U.N. altogether. Also of interest, is the resolution passed at the 77th National Convention last month that specifies reforms designed to maximize U.S. leverage in the U.N. and protect U.S. interests.

On behalf of The American Legion, I forward these two documents to you for your information and consideration. It is our hope that you will consider making these two documents part of the record.

Sincerely,

G. MICHAEL SCHLEE, Director
National Security-Foreign
Relations Division

encl.: as

RESOLUTION NO.: **151**

SUBJECT: **UNITED NATIONS**

Origin: Foreign Relations Committee

Submitted By: Foreign Relations Committee

As consolidated with No. 75 (MX)

WHEREAS, The American Legion played a significant role in helping to establish the United Nations after World War II, believing it would help prevent the outbreak of future wars; and

WHEREAS, The American Legion has remained generally supportive of the United nations over the succeeding years, although it has been critical of particular ineffective, wasteful or undesirable activities of the United Nations; and

WHEREAS, Although the United Nations in half a century of operation has not fulfilled the lofty of purposes unwise international operations and enable the United States to work from within the United Nations for long overdue reforms; now, therefore, be it

RESOLVED, By The American Legion in National Convention assembled in Indianapolis, Indiana, September 4, 5, 6, 1995, That The American Legion urges the U. S. Government to seek the following reforms in the United Nations and to use American leverage to obtain the desired ends by such means as withdrawal from ineffective UTN agencies and withholding of funds:

- **Ratify expeditiously the "UN Convention on the Protection of Peacekeepers" and encourage all other nations to do the same.**

- **Encourage the United Nations to focus on limited, necessary, achievable tasks that truly better the lot of humankind in a sensible, cost-effective manner.**

- **Encourage the United Nations not to infringe on national sovereignty when operating economic and social programs.**

- **Adopt weighted voting procedures in the General Assembly, allotting voting power in relation to funds contributed by each member nation to the United Nations.**

- **Eliminate the Trusteeship Council and all other redundant or unneeded agencies.**

- **Professionalize the UN staff on the basis of merit and qualifications.**

-- Provide truly independent authority to the Inspector General and see that UN agencies become subject to periodic, unannounced auditing, the finding of such audits to be reported to member nations.

-- Admit the Republic of China to full membership in the United Nations since that nation has fulfilled all that is expected of a developing country by adopting democracy, respect for human rights, free enterprise, and a peaceful foreign policy.

-- Reduce the U.S. share of the regular budget from 25 percent to 20 percent.

-- Reduce the U.S. share of peacekeeping funding from 31.7 percent to 20 percent.

U.S. PARTICIPATION IN THE UNITED NATIONS

THE AMERICAN LEGION

FOREIGN RELATIONS COMMISSION

MAY 1995

TABLE OF CONTENTS

List of Tables	i
Executive Summary	ii
Objective	1
The American Legion and the United Nations	2
The United Nations	9
The United States and the United Nations	25
Conclusions	28
Recommendations	29

Appendices:

A. Proposed Implementing Resolution
B. Legion Mandates
C. UN Charter (Excerpts)
D. UN Organization
E. Policy on Reforming Multilateral Peace Operations
F. Peace Operations
G. Bibliography

LIST OF TABLES

No.	Title	Page
1	Legion Resolutions Related to the United Nations	4
2	UN Membership by Region	10
3	UN Peace Operations	14
4	UN Finances	21
5	Mandatory Assessments for the UN Regular Budget, 1992	22
6	Spending of the UN System, 1992	24

EXECUTIVE SUMMARY

The objective of this study is to determine whether U.S. participation in the United Nations (UN) serves U.S. national interests and, if it does, to recommend U.S. objectives and operations in conjunction with the United Nations.

To analyze fully the myriad and diverse operations of the United Nations is beyond the scope of this study; therefore, four areas of primary concern to the Legion are addressed (peace operations, economic and social programs, structure and management, and funding).

UN peacekeeping operations suffer from many deficiencies:

- Mission statements are vague and constantly changing.
- Peacekeeping operations are attempted where there is no peace to be kept.
- UN forces lack proper training, mobility, and equipment.
- Command arrangements are complex and ineffective.
- Central command and control capabilities are insufficient.

In the increasingly interdependent, crowded, and competitive modern world there certainly are global problems that require (at least partially) multinational, cooperative solutions; however, the United Nations record in the field of economic and social programs is spotty at best and suffers from severe problems:

- Overly ambitious, unfocused goals.
- Corruption and bureaucratic in-fighting.
- Proliferation of uncoordinated, sometimes competing, programs.

The United Nations has serious problems of structure and management, such as:

- Poor leadership and supervision.
- Lack of a modern system of management.
- A cumbersome organizational structure lacking central coordination.
- A personnel system based on geographical or national quotas rather than merit.
- Continuing corruption, fraud, and malfeasance.

The evaluation of UN funding points out that:

- UN program requirements and available funding are not in balance.
- Some nations fall behind in their UN contributions, thereby restricting UN operations.
- The United States continues to pay an inordinately high share of UN costs despite the fact that several other nations now are quite prosperous and could easily assume a larger share of the burden.

The Study Group reached the following conclusions:

- Although the United Nations in half a century of operation has not fulfilled the lofty purposes of international peace and human betterment envisioned by its founders, it continues to be in the national interest for the United States to continue as a member of The United Nations.
- Continuing U.S. membership in the United Nations will retain the U.S. veto power in the Security Council to quash unwise international operations and enable the United States to work from within the United Nations for long overdue reforms.

- Despite the fact that the UN's gap between promise and performance remains very large, as the world increasingly becomes economically interdependent and global problems mount, the United Nations can still serve useful, if limited, functions that will promote U.S. national interests.

- Above all else, the United States should be bold and insistent in seeking speedy and effective UN reforms.

- The United States continues to pay much more than its proportionate share of UN bills, and several other nations have become prosperous enough to bear a larger share of the UN financial burden, witness the wealthy oil-producing nations and Japan, which depend on the United States for protection in this terrorist-threatened, hostile world.

The Study Group makes the following recommendations. They are incorporated as appropriate in the proposed implementing resolution in Appendix A, which we recommend the Convention Committee on Foreign Relations recommend for approval by the 77th National Convention.

Peace Operations:

- Continue the current Legion policy expressed in Resolution 217, calling for clear definition of U.S. national interests, congressional approval of using U.S. forces, American command of U.S. forces except in exceptional situations, and full prisoner of war protections for Americans captured during non-traditional military operations.

- Seek quick ratification of the "UN Convention on Protection of Peacekeepers" by the United States and all other nations.

Economic and Social:

- Encourage the United Nations to focus on limited, necessary, achievable tasks that truly better the lot of humankind in a sensible, cost-effective manner.

- Encourage the United Nations not to infringe on national sovereignty when operating economic and social programs.

Structure and Management:

- Do not enlarge the Security Council, since this would further complicate UN procedures and dilute U.S. influence.

- Adopt weighted voting procedures in the General Assembly, allocating voting power in relation to financial contributions to the United Nations, as is already done in some bodies of the UN system.

- Eliminate the Trusteeship Council and any other redundant or unneeded agencies.

- Professionalize the UN staff on the basis of merit and qualifications.

- Provide truly independent authority to the Inspector General and see that UN agencies become subject to effective auditing procedures.

- Use American leverage to obtain desired ends in the United Nations by such means as withdrawal from ineffective UN agencies and withholding of funds.

- Admit the Republic of China to full membership in the United Nations since that nation has fulfilled all that is expected of a developing country in adopting democracy, respect for human rights, free enterprise, and a peaceful foreign policy.

Funding:

- Reduce the U.S. share of the regular budget from 25 percent to 20 percent.

- Reduce the U.S. share of peacekeeping funding from 31.7 percent to 20 percent.

The study group believes that, as the United Nations prepares to celebrate its 50th anniversary on October 24, 1995, implementation of the above listed recommendations can go a long way toward making the United Nations a more effective international organization that will be capable of serving humankind even better in the 21st Century.

U.S. PARTICIPATION IN THE UNITED NATIONS

OBJECTIVE

The objective of this study is to determine whether U.S. participation in the United Nations (UN) serves U.S. national interests and, if it does, to recommend U.S. objectives and operations in conjunction with the United Nations.

The Chairman of The American Legion's Foreign Relations Commission initiated action on this study in February 1994. He appointed the following members of the Foreign Relations Commission to the United Nations Study Group:

Chairman: Keith Baker (Iowa)

Members: Robert L. Bowen (Virginia)
Francis W. (Arch) Ethun (Texas)
Dr. A. J. Forestiere (Arkansas)

THE AMERICAN LEGION AND THE UNITED NATIONS

Background -- World War II

Even before the United Nations was officially established on June 26, 1945, and commenced operations on October 24, 1945, The American Legion was a staunch supporter.

Delegates to the 24th and 25th National Conventions in 1942 and 1943 adopted a report laying the foundation for later support of the United Nations by The American Legion. The policy was reiterated at the 26th National Convention in 1944. It stated:

> Our own national interests must ever be our first concern, and we believe that our nation can best serve and protect its national interests, commensurate with its power and responsibilities, by participation in the establishment and maintenance of an association of free and sovereign nations, implemented with whatever force may be necessary to maintain world peace and prevent a recurrence of war. It must be obvious now to all the world that no peace can be lasting and secure for nations that are not fully prepared to maintain peace.

A long-time Legionnaire, Colonel William C. Brewster, in 1940, authored a proposal, entitled *Permanent Peace*, for revitalizing the League of Nations. His plan later became a basic source document for the United Nations Charter.

Background -- Cold War Years

In later years, Legion support for the United Nations eroded considerably as the Soviet Union's erection of the Iron Curtain brought to an end the cooperation of World War II. As more Third World nations became members of the United Nations, UN bodies became politicized, frequently against U.S. national interests.

Background -- 1976 Study Panel

In 1976, concerned by the apparently deteriorating performance of the United Nations, The American Legion formed a 10-member United Nations Study Panel, including then-Foreign Relations Commission Chairman Dr. Robert P. Foster, three members of the Commission, and Former U.S. United Nations Ambassador Henry Cabot Lodge. The report of the Panel,

explained the purpose of the study as follows: "By 1972, the vast changes that had enveloped the world and consequently the United Nations brought the Legion to its present point of reassessment of the role of the United States in the United Nations, even of the continued viability of the United Nations itself...The Legion has simply been frustrated by the apparent gap between promise and performance of the United Nations in recent years." The report concluded that: "The weight of the evidence is strongly in favor of continued U.S. membership and support, particularly if effective reforms of the kind recommended by this report are forthcoming."

Background -- This Study

In May 1994, the Chairman of the Foreign Relations Commission, in explaining the rationale for this study to the National Executive Committee, stated the Commission anticipated that, given the generally multilateral strategic outlook of the current administration and the more diffuse international situation created by the end of the Cold War, there was a strong possibility that the United Nations would play an increasingly prominent role in world affairs. He cited as an example of this the large number of UN peacekeeping operations inaugurated in the last few years. Based on this potential change in the relative prominence of the United Nations and the problems and inadequacies in UN operations, he believed it to be appropriate to initiate this study in order to analyze in detail the usefulness of the United Nations to the United States in the context of the dramatically changed international situation following the end of the Cold War. He concluded by stating that, at the conclusion of the study, he would inform the National Executive Committee of its outcome.

Mandates

Several current resolutions (listed in Table 1 on page 4) specify how The American Legion views U.S. national security-foreign relations policy and the role the United Nations can play as part of this policy.

Taken as a whole, the current mandates relating to the United Nations establish a comprehensive general strategic outlook for the United States:

- Isolationism is rejected, and America must continue to exercise its leadership of the Free World.

- America must remain strong, vigilant, and sovereign.

- The United Nations is a viable instrument of U.S. national security-foreign relations policy, but only within certain limited parameters.

Major progress has already been made in achieving the mandate of Resolution 217 calling for prisoner of war protections for Americans captured in non-traditional military operations.

Table 1. Legion Resolutions Related to the United Nations

Resolution	Title & Summary
	Foreign Relations Resolutions
331 76th Nat'l Conv	"America's Future" Urges the U.S. Government to adopt a bipartisan national security-foreign relations policy of "Democratic Activism" promoting democratic values, maintaining adequate military strength, cooperating with allies, encouraging free and fair trade, and assisting developing nations.
336 76th Nat'l Conv	"U.S. Foreign Policy" Specifies 13 principles to guide U.S. foreign policy, including: 10. Support for responsible international organizations that are consistent with U.S. sovereignty and serve U.S. national interests. 12. Recognition that the world operates on a national basis; U.S. sovereignty must not be abridged unless required by important U.S. national security interests.
337 76th Nat'l Conv	"United Nations" Urges the Administration to continue seeking effective, equitable, efficient UN operations consistent with the UN Charter's stated purposes; U.S. military forces should not be placed under foreign command during UN peacekeeping operations, unless vital American national interests require such action.
	National Security Resolution
217 76th Nat'l Conv	"Commitment of United States Military Forces in Peacekeeping and Humanitarian Operations" Urges the U.S. Government to apply the following principles to possible participation in UN peacekeeping or humanitarian operations: • National interests must be clearly defined. • Congress should approve use of U.S. forces. • Place U.S. forces under foreign command only in exceptional circumstances and with congressional approval. • Servicemembers captured should be granted full prisoner of war status and protections under the Geneva Conventions.

Under American leadership, the General Assembly adopted a resolution calling for the prompt release of personnel serving in, or

associated with, UN forces during peacekeeping operations, who are captured during UN-mandated operations and their treatment in the full spirit of the Geneva Conventions until released. Subsequently an international convention, entitled the "UN Convention on Protection of Peacekeepers," incorporating those provisions was opened for signature and ratification by the world's nations. The convention will take effect after signature and ratification by 22 nations. To date, 15 nations, including the United States, have signed the convention. The State Department expects U.S. ratification to be completed by the end of the year and for the convention to take effect about one or two years later.

Options for U.S. Participation in the United Nations

Based on the current Legion mandates cited above, there are several possible options for U.S. use or non-use of the United Nations in implementing American grand strategy:

Option	Thrust	UN Role in U.S. Policy
A -- Dynamic Internationalism	Adopt major reforms to strengthen the United Nations	Take a multilateral approach to world problems and make greater use of the United Nations
B -- Prudent Internationalism	Adopt minor reforms to make the United Nations more efficient but not more powerful	Approach world problems primarily on a unilateral basis or through existing alliances
C -- Unilateralism	Withdraw from the structure of the United Nations but make use of selected functional UN agencies	Approach world problems on a unilateral basis or through existing alliances

Evaluation of the three options is as follows:

Option	Pro	Con
A	Maximizes power of world community to maintain security and deal with common problems	Goes beyond Legion mandates
		Dilutes U.S. sovereignty
		Increases UN costs to U.S.
		Places huge tasks on an often incompetent and wasteful UN bureaucracy
B	Improves UN efficiency and capabilities within reasonable limits	Complies with Legion mandates
	Provides an adequate basis for world nations to maintain security and deal with common problems	Maintains U.S. sovereignty
		Keeps U.S. costs within reason
C	Gives U.S. maximum flexibility to deal unilaterally with world problems and protect its national security in cooperation with allies	Goes beyond Legion mandates
	Retains U.S. capabilities to cooperate with effective UN agencies in dealing with trans-national problems	Maximizes U.S. sovereignty
		Minimizes U.S. costs

Conclusion on U.S. Participation in the United Nations

Based on current Legion mandates, the long-term thrust of Legion general support for the United Nations, and the current world balance of power, we conclude that the most desirable course of action is to pursue Option B. It offers the best chance to close the UN's glaring gap between "glowing early promise" and "often disappointing performance." It effect, Option B seeks to close the promise-performance gap now so apparent in UN functioning and operations.

Option A is unsuitable because it would place over reliance on an institution that has deep-seated problems of leadership, management, support, and performance. The basic issue concerning the United Nations has always been the basic problem facing each national society:
How much power and control of resources should be given to the center and how much retained by component governmental units? In the context of decades-long discussions about the power of the United Nations, the issue is usually phrased as: Should the United Nations eventually become a world government or should it possess only limited powers and resources to deal with common world problems as directed by its sovereign nation members?

Proponents of the world government idea point out that problems they perceive such as civil wars, tensions between nations, terrorism, spread of weapons of mass destruction, overpopulation, poverty, environment degradation, increasing economic and financial interdependence, etc. are increasingly transnational problems that do not respect national frontiers and, therefore, can only be solved by expanded international cooperation. As a model of expanding cooperation, they point to the European Union which claims to be marching down the highway to a common currency, common defense, and common foreign policy. Already, the European Union has promulgated masses of technical regulations to standardize production and use of goods and services within Europe.

Opponents of the world government view make the case that, from its inception the United Nations has always been regarded as an international servant of its national members, exercising only limited powers they authorize and receiving funding at their discretion. We are strongly in support of this viewpoint. World government proponents misread the evolution of the European Union and its prospects for long-term success. Actually, the increasingly centralized power reflected in the revamped European Union has a more accurate parallel in the formative years of the United States when virtually sovereign state governments, recognizing the need for at least minimal federal power to replace the inadequacies of the initial confederation, came together to form a more powerful central

government, but one subject to numerous checks and balances and just barely able to govern. Furthermore, the long-term outlook for the European Union is clouded. If economic conditions worsen or uncontrolled population flows surge into advanced countries, central power in the European Union could well be curbed.

Although Option C is theoretically feasible, it suffers from serious drawbacks. If the United States withdrew from the formal structure of the United Nations, Washington would lose virtually all of its ability to shape the future of the United Nations. Hostile nations could, over a period of time, turn the United Nations against the United States. At the current time, as a permanent member of the UN Security Council, the United States has a veto power; therefore, no truly egregious action can be taken by other UN members against American national interests. Leaving the United Nations would, of course, end that veto power. Under this option, the United States could still take advantage of efficient, necessary international agencies of the United Nations -- many of which long predate the founding of that organization -- in such areas as allocation of radio frequencies, coordination of air travel and safety, and meteorology. But the price of losing overall influence and signaling the world that the United States was abdicating a significant share of its responsibilities as the leader of the Free World is just to high to pay. We, therefore, reject Option C.

Now that we have decided on a recommended general course of action for the United States to take in regard to the United Nations, we are ready to look more closely at the United Nations and proposals for reform in accordance with Option B, Prudent Internationalism.

THE UNITED NATIONS

Purposes

The Charter of the United Nations (excerpts are at Appendix B), composed in the later stages of World War II, which was fought under the banner of the Four Freedoms, starts with a lofty preamble which has no legal effect. It's soaring rhetoric reads as follows:

> We the Peoples of the United Nations determined to save succeeding generations from the scourge of war, which twice in our lifetime has brought untold sorrow to mankind, and to reaffirm faith in fundamental human rights, in the dignity and worth of the human person, in the equal rights of men and women and of nations large and small, and to establish conditions under which justice and respect for the obligations arising from treaties and other sources of international law can be maintained, and to promote social progress and better standards of life....combine our efforts to accomplish these aims.

Chapter I of the Charter delineates four more specific purposes of the United Nations:

- To maintain international peace and security.
- To develop friendly relations among nations.
- To achieve international cooperation in solving economic, social, cultural, and humanitarian problems and promoting respect for human rights and fundamental freedoms without discrimination.
- To provide a focal point for harmonizing national actions in seeking these common goals.

Membership

When it opened its doors in the fall of 1945, the United Nations had 51 members; it now has virtually universal membership of 182 nations. For the past three decades, most member nations have come from Africa and Asia rather than the Americas and Europe, which predominated upon the founding of the United Nations. Table 2 shows the marked shift in geographical representation in the United Nations from 1945 to 1992.

Table 2. UN Membership by Region

Region	1945	1992
Europe	14	40
Americas	22	35
Africa	4	51
Asia	9	44
Pacific	2	8
Totals	51	178

Source: Adapted from The United Nations in the 1990s, page 42.

Note: Membership reached 182 nations in 1994.

The member nations differ greatly in population, economic prosperity, and military strength. Of the 178 members in 1992, 11 had less than 150,000 population, while the People's Republic of China had over a billion. Currently, the world population is roughly divided into North , 20% and South, 80%, while economic output is just the reverse, North 80% and South , 20% (in UN discussions, problems are often discussed in terms of North-South, i.e., industrialized nations-developing nations). Despite such huge disparities, each member nation gets equal voice and vote in the General Assembly. Furthermore, the South seldom misses an opportunity to try to extract more resources from the much wealthier North. The greatest example of this trend was the unsuccessful effort by the South to impose a New International Economic Order on the North in the 1970s whereby greatly increased flows of capital and aid would have moved from the North to the South.

Organization

The chart at Appendix C shows the bewildering array of entities that compose the United Nations system. The specific powers of the six major organs are as follows:

General Assembly -- This "legislative" arm of the United Nations is authorized to discuss any subject within the purview of the Charter, except that in matters of international security it must defer to the Security Council. However, the "Uniting for Peace" resolution, adopted during the Korean War by the General Assembly at the behest of the United States, has attained, through custom and practice, the status of an informal amendment to the

Charter. It authorizes the General Assembly to deal with breaches of the peace whenever the Security Council is prevented from doing so by a veto cast by a permanent member of the Security Council. The general nature of the General Assembly's areas of concern are evident in the titles of its seven committees: political, economic, social, non-self-governing territories, budget, legal, and special political.

Security Council -- This "quasi-executive" branch of the United Nations is charged with the maintenance of international peace and security. The Security Council consists of 15 members, 5 permanent (France, People's Republic of China, Russian Federation, United Kingdom, United States) and 10 non-permanent, elected for 2-year terms according to an agreed geographical formula. A majority on a voting issue consists of 10 members on a procedural issue, but that majority must include all 5 permanent members to approve a substantive issue. All peace operations are controlled by the Security Council.

Secretariat -- This "executive" organ of the United Nations is headed by the chief administrative officer of the United Nations, the Secretary General, who is backed up by a permanent staff, the Secretariat. The Secretary General is elected for a five-year renewable term by the General Assembly upon the recommendation of the Security Council. The actual power of the Secretary General depends jointly on his personal views of the office and the support of the permanent members of the Security Council. The potential is for the position to be one of great power, but this is not always the case. The Charter calls for the Secretariat to be an international civil service based on merit, but, in practice, the Secretariat is staffed on a geographical quota system, not necessarily merit or ability.

Economic and Social Council -- This arm of the United Nations is charged with promoting the general welfare of the world's people, which is viewed as a precondition for international peace. The Council has no operational authority and relies on member nations to implement its recommendations. It coordinates the work of the specialized agencies, which have the most direct and lasting impact on the functioning of the world economy. The Council consists of 54 members, always including the permanent members of the Security Council, elected by the General Assembly for three-year terms on a geographical quota basis.

Trusteeship Council -- This body is now largely obsolete, since colonialism has virtually disappeared from the world scene. In the immediate post-World War II period, the Council sought to ensure that Trust Territories were fairly administered.

22-223 O - 96 - 4

International Court of Justice -- The Court's jurisdiction includes cases referred to it by member nations or those in certain categories previously agreed to by particular nations. By 1990, 56 nations had agreed to recognize the compulsory jurisdiction of the Court, but most included substantial reservations limiting the compulsory aspect of decisions. Until President Reagan withdrew the U.S. agreement to compulsory jurisdiction, the United States had recognized it for many years, except in legal cases falling within the purview of domestic American courts. The Court consists of 15 justices, serving nine-year terms after election by absolute majorities of both the General Assembly and the Security Council.

Evaluation

To analyze fully the myriad and diverse operations of the United Nations is beyond the scope of this study; therefore, four areas of primary concern to The American Legion will be addressed (peace operations, economic and social programs, structure and management, and funding).

Evaluation -- Peace Operations

Peace operations encompass a variety of activities to help resolve threats to international peace and security, ranging from no use of force to extensive application of military power.

Peace Building: Use of peaceful means to assist nations in functioning peacefully, freely, and fairly. The UN operation a few years ago to assist Namibia in emerging from South African control and democratically electing its own government is an example.

Preventive Diplomacy: Interventions by senior UN officials to help reduce tensions in international relations. The Secretary General's visit to North Korea in 1993 exemplifies this type of activity.

Preventive Deployments: Deployment of military forces under UN control as a deterrent to trouble. The current UN operation in Macedonia fits into this category, although the deployed force is too small to serve as anything but an observation force and "trip-wire."

Peacekeeping: Use of military forces in UN-mandated operations to help in implementation efforts after a peace settlement has been reached by contending parties through such actions as monitoring cease-fires, disarming forces, or monitoring borders. The UN force on Cyprus is an example.

Peace Enforcement: Active use of military power by UN-mandated operations to expel or defeat an aggressor nation. Peace enforcement has

only occurred three times under UN aegis: in the Korean War (1950-1953), the Congo operation (1960-1964), and the Persian Gulf War (1991). However, although both the Korean War and the Persian Gulf War were fought with the approval of the Security Council, the UN did not exercise strategic direction or command of military forces in either conflict. The United States did not participate in the Congo operation.

With the end of the Cold War, peace operations took on a new look. Prior to the end of the cold war, with the exceptions of the Korean War and the Congo operation, UN peace operations generally faced no active military opposition because they only came into being after contending parties had reached an acceptable agreement or at least a temporary accommodation. Furthermore, they were relatively infrequent since Cold War divisions often prevented the Security Council from acting. In the post-Cold War era, members of the Security Council have adopted much more cooperative attitudes, thus making peace operations easier to launch. The typical result is that UN forces are being called on to engage in military operations that go beyond peacekeeping but are not quite the all-out combat expected in a peace enforcement operation. Some of the new operations combine elements of military actions with humanitarian relief or refugee evacuation, thus imposing new and complex requirements on UN forces often operating under vaguely defined mission statements and with varying degrees of support from the major powers.

The increased pace of peacekeeping operations in the post-Cold War era is clearly evidenced by the fact that of the total 34 peacekeeping operations in UN history, 21 have been launched since 1988 and 17 are still active. In contrast, from 1978-1988, at the height of the Cold War, no peacekeeping operations were originated.

The United Nations believes that several peacekeeping operations have been quite successful such as those in Cambodia, El Salvador, Mozambique, and Nicaragua. Officials responsible for UN peacekeeping operations believe that they can improve the situation even in cases where there is no peace to be kept by such activities as protecting "safe zones" and opening roads for relief convoys to get through to beleaguered groups.

At the current time, the United Nations typically has over 70,000 troops deployed in peacekeeping operations at any one time. After the debacle of the Somalia UN force, during which faulty UN command arrangements contributed to the death of 18 U.S. Army rangers, U.S. participation in peacekeeping operations has been reduced to a level of about 7,016 troops as of February 17, 1995, when 6,103 of those were deployed in Haiti.

Table 3 demonstrates the growing pace of peace operations by the United Nations.

Table 3. UN Peace Operations

Action	1988	1992	1994
Security Council Resolutions	15	53	78
Security Council Sanctions Imposed	1	2	7
Disputes Addressed	11	13	28
Peacekeeping Operations	5	11	17
Military Personnel Deployed	9,570	11,495	73,393
Police Deployed	35	115	2,130
Civilians Deployed	1,516	2,206	2,206
Countries Contributing Personnel	26	56	76
Budget ($ Millions)	230	1,690	3,610
Electoral Activities	0	6	21

Source: Adapted from "U.N. Chief Chides Security Council on Military Missions," page A-3.

UN peacekeeping operations suffer from many deficiencies:

- Mission statements are vague and constantly changing.
- Peacekeeping operations are attempted where there is no peace to be kept.
- UN forces lack proper training, mobility, and equipment.
- Command arrangements are complex and ineffective.
- Central command and control capabilities are insufficient.

In considering peacekeeping operations, a key point to keep in mind is that the UN Charter did not intend to give the United Nations a monopoly on peace operations. Under Articles 51 and 52 of the Charter, clearly recognize the rights of individual national defense, collective security, and regional security arrangements.

In evaluating UN peace operations over the course of 50 years, mixed results are quite evident. In some cases where political will, military power, and sound strategy combined, excellent results have been achieved as in the Korean War, when North Korea was pushed out of South Korea, and the Persian Gulf War, where a larger coalition of nations soundly trounced Iraq

and expelled it from the oil-rich nation of Kuwait. Other operations, such as that in Somalia, have been utter disasters. When the United Nations completed its ignominious withdrawal from Somalia, it in effect said that the mighty world organization lacked the capability to replace the anarchy of marauding warlords with a government responsible to the Somalia people. Although many regard the operation in Cambodia as having been a success, clear signs exist that the fragile, ineffective coalition government elected under UN auspices is on the road to collapse, and the dreaded Khmer Rouge are once again gaining control of territory and people. Both of those instances point out the necessity for the Security Council to authorize UN peacekeeping operations only where there is a strong likelihood for success; otherwise, the local population suffers even more and the prestige of the United Nations as a peacekeeping body is diminished.

Evaluation -- Economic and Social Programs

Just as many of those interested in international peace and security look to the United Nations for an increasing number of peace operations in the post-Cold War era, others urge increased economic and social programs by the United Nations. Environmentalists think the UN can reduce pollution, preserve the ozone layer, and prevent burning of the tropical rain forests. Refugee advocates expect the UN to provide vastly expanded services to the increasing flows of refugees from ethnic and religious conflicts raging in many parts of the world. Those concerned about growing poverty and overpopulation in the Third World look to the United Nations to expand its development aid and help nations achieve a viable balance between resources and population.

In many cases, however, the United Nations overreaches and looks overly ambitious or ineffectual. For example, in 1992, the United Nations Conference on the Environment and Development in Rio de Janerio, Brazil hosted an "Earth Summit" attended by 120 heads of state and concluding with agreements on a wide range of environmental agreements. Although President Bush refused to sign what he regarded as overly optimistic, unenforceable pacts, President Clinton later signed the biodiversity preservation agreement and indicated general agreement with the other announced goals of the "Earth Summit." As an example of the lack of realism of that gathering, one of its goals was "to eradicate poverty," a highly desirable, but unreachable objective.

Other examples of lack of realism abound in the UN system. As an example, the United Nations Economic Social and Cultural Organization (UNESCO) was founded "to remove the causes of war from the minds of men." Likewise, the World Health Organization established as one of its

missions "health for all by the year 2000," a mission that member nations cannot even accomplish on their own, much less for the whole world.

Nevertheless, certain specialized agencies affiliated with the UN system perform needed work in a highly professional, effective manner. Most of them were founded years or decades before the UN opened its doors and even today raise their own funds and largely control their own programs. Representatives of this essential category of UN bodies are The Universal Postal Union, improving international postal services; The International Telecommunication Union, allocating radio frequencies; The International Civil Aviation Organization, maintaining global air safety and navigation standards; and The World Meteorological Association, operating a global network of weather stations to enhance the accuracy of weather forecasts.

Nicholas Eberstadt, of Harvard University, perfectly expressed the frustration many people feel -- even those who believe in the world organization -- when he recently wrote:

> Somewhere within the United Nations' vast New York headquarters, there must be an official charged with finding the most inappropriate spot on earth for each new U.N. summit. How else to explains the upcoming UN. World Conference on Women in Beijing -- a capital that has championed coercive abortions, and revived female infanticide? Or the choice of Copenhagen -- exemplar of the discredited and hypertrophied 'social welfare state' -- as the venue for this week's U.N. World Summit for Social Development?

(Note: Even the People's Republic of China recognized the problems associated with holding the UN World Conference on Women in Beijing. It moved the conference to Huairou County, an agricultural area more than 30 miles outside the capital city.)

Looking back 10 years after President Reagan withdrew U.S. participation from UNESCO, even The New York Times supported his action "Mr. Reagan's move won widespread applause. Washington provided one-fourth of the budget for UNESCO's profligate Paris-based bureaucracy, notorious as a patronage dumping ground. UNESCO had also become synonymous with vaporous declarations that were hostile to Western institutions...." Also during the Reagan Administration, the United States withdrew briefly from the International Labor Organization, but returned after problems were corrected.

In summary, in the increasingly interdependent, crowded, and competitive modern world there certainly are global problems that require (at least partially) multinational, cooperative solutions; however, the United Nations record in the field of economic and social programs is spotty at best and suffers from severe problems:

- Overly ambitious, unfocused goals.
- Corruption and bureaucratic in-fighting.
- Proliferation of uncoordinated, sometimes competing, programs.

Evaluation -- Structure and Management

Perhaps the greatest organizational problem of the United Nations has been its lack of independent oversight. Basically, it has been run primarily for the benefit of its employees. For example, until recently each UN office was audited only once every six years and on a predictable schedule.

Last year, after Congress threatened to withhold American funding unless an inspector general was appointed, the General Assembly, fearing to create an inspector general with strong, independent powers, established the Undersecretary General for Internal Oversight Services. The General Assembly also made sure that reports of investigation would go to the Secretary General first, not member governments. Additionally, the new office is minimally staffed and funded. In the first four months of its operations, the new office issued only one report.

In February 1995, the House passed legislation that would withhold as much as half of U.S. funding for UN peacekeeping unless the President certifies that the United Nations has established a truly independent inspector general, supported by adequate staff and funding and able to inspect any UN office and report findings to member nations. Some influential members of Congress are rightly very upset, and the scene is now set for a confrontation between a Congress interested in austerity and efficiency and a UN bureaucracy seeking to retain its lucrative employment and to remain free from external audit and scrutiny.

The United Nations also suffers from lethargy in other fields of management. Last fall, the last territory subject to supervision by the Trusteeship Council voted to become independent. Logically, the next step would have been to eliminate the Trusteeship Council, but the General Assembly shied away from that step since it would mean amending the UN Charter, which requires a two-thirds vote of approval and could open other

parts of the UN Charter, like expanding the Security Council, for consideration. The issue does not have great financial importance because the Trusteeship Council now has only two part-time employees, but it does typify the UN corporate culture of resisting change if at all possible.

Tales of corruption in the United Nations frequently receive broad coverage in the media. A few recent examples exemplify the problems endemic in an organization with weak, diffuse leadership, no effective financial oversight, and immersed in a culture of self-preservation of the bureaucracy.

- Auditors for the United Nations Children's Fund (UNICEF), one of the UN's independently funded special agencies, warned that economic development programs in poor nations may eventually be undercut by payment of salary supplements to local government employees, in a system that looks very much like official bribery. Additionally, the auditors report a complete breakdown of monetary controls for the emergency program in Somalia.

- UN officials "whitewashed" four other UN officials accused of rigging contracts for aviation support for favored companies.

- Fraud and mismanagement in Kenya may have cost UNICEF over $10 million through such actions as embezzlement, awarding contracts to nonexistent people, purchase of vehicles that were never put into use, hiring prostitutes as office staff, and holding lavish parties for local officials.

- President Clinton ordered the Joint Chiefs of Staff to investigate circumstances under which UN officials left behind in Somalia, unguarded, many boxes of U.S. classified intelligence documents.

- The World Health Organization (WHO) has the largest budget of any UN agency, about $1 billion annually. Nevertheless, the WHO has reduced expenditures over the past decade for disease control and prevention. Such retrenchment was no doubt necessitated by the fact that the WHO spends an astonishing 75 percent of its budget for salaries and overhead.

- Ambassador to the United Nations Madeleine Albright admonished a UN committee as follows: "...poor management can be the Achilles' heel of the United Nations.

I cannot justify to the taxpayers of my country some of the personnel arrangements, the sweetheart pension deals, the lack of accountability, the waste of resources, the duplication of effort and the lack of attention to the bottom line that we often see around here."

- In recent years, two Americans working for the United Nations, former Attorney General Richard Thornburgh and former State Department official Melissa Wells, who tried to "cleanup the system" were forced out of the United Nations. The highly damning Thornburgh report on UN mismanagement was shredded under order of the Secretary General.

Undersecretary General for Administration and Management Joseph E. Connor, an American from the private sector, assumed office in May 1994, and now claims that meaningful personnel reforms are underway in the United Nations, including firing unnecessary or incompetent employees, adoption of an effective personnel evaluation system, and career training. Mr. Connor also said that a new management plan is now in effect with a direct link between strategic planning, budgeting, and performance measurement. He also indicated that in the last seven years UN staffing has been reduced by one-tenth. Although such reforms sound good, they must be viewed with skepticism until proven in practice because innumerable reforms have been announced with great fanfare in the past, but the UN system of management just continued worsening in performance.

The foregoing examples show that the United Nations has serious problems of structure and management, such as:

- Poor leadership and supervision.
- Lack of a modern system of management.
- A cumbersome organizational structure lacking central coordination.
- A personnel system based on geographical or national quotas rather than merit.
- Continuing corruption, fraud, and malfeasance.

Evaluation -- Funding

Table 4 (on page 21) shows the various sources and expenditures of funds by the United Nations.

The regular budget is determined on a biennial basis by the General Assembly after being proposed by the Secretary General, who receives funding requests from the individual departments of the Secretariat. Since 1988, all regular budgets have been unanimously approved. The regular budget has shown almost zero real growth in the past few years as members increasingly press for austerity and management reforms.

Mandatory assessments vary from .01 percent to 25 percent of the regular budget. The United States is the only country being assessed at the highest rate, as shown in Table 5 (on page 22).

Table 4. UN Finances

Category	Sources	Uses
Mandatory Assessments	All Members (Based on National Income and Per Capita Income)	Regular Budget Peacekeeping Operations
Specific Assessments	All Members (Greater for Permanent Members of the Security Council)	Peacekeeping Operations
Voluntary Contributions	Virtually All Members	Economic and Social Programs Peacekeeping Operations
Capital Funding	Funds Raised by Each Body (IRBD, IMF, IFAD)	Aid and Loans to Stabilize World Trade and Currencies and Assist Economic Development in Poor Countries
Specialized Agency Funding	Funds Raised by Each Agency	Operations of Specialized Agencies

Table 5. Mandatory Assessments for the UN Regular Budget, 1992

Percentage	Paid By
25	United States
12	Japan
9	Germany
7	Russian Federation
6	France
5	United Kingdom
4	Italy
3	Canada
2	Spain, Ukraine, Brazil, Australia, Netherlands
1	People's Republic of China and 11 Other Members
.5-.02	68 Members
.01	85 Members

Source: Adapted from Image & Reality, pages 72-75.

Although the United States is the largest contributor of UN funds in absolute terms, in relative terms, it ranks fairly low. For example, in 1990 total U.S. contributions to the UN system were $1.3 billion; but on a per capita basis, the United States ranked 19th. In that year, on a per capita basis, the United States contributed $5 while the leader, Norway, contributed $65.

The United Nations claims that the United States gets back 259 percent of its annual contributions through UN-related purchases in New York City and in UN purchases of U.S. goods and services.

In 1992, total spending for the UN system was $10.5 billion, as shown in Table 6 (on page 24).

The United Nations faces almost continuous financial emergencies as some nations fail to pay their mandatory assessments for the regular budget or specific assessments for peacekeeping operations. As of mid-1993, these totaled $2.34 billion ($.94 billion regular budget; $1.4 billion for peacekeeping). The United States owed $.85 billion and the Russian Federation owed $.6 billion, jointly representing over one-half of the arrears. Unlike national governments, the United Nations can not go into debt to finance its operations. That fact plus increasing humanitarian and peacekeeping emergencies contributes greatly to the UN's funding problems.

The foregoing evaluation of UN funding points out that:

- UN program requirements and available funding are not in balance.

- Some nations fall behind in their UN contributions thereby restricting UN operations.

- The United States continues to pay an inordinately high share of UN costs despite the fact that several other nations now are quite prosperous and could easily assume a larger share of the burden.

Table 6. Spending of the UN System, 1992
(In $ Billions)

Category	Spending	Percent of Total
Peacekeeping	1.4	13
Humanitarian Aid	2.7	26
Health	0.4	4
Food Production	0.8	8
Administration	0.3	3
Political Affairs	0.4	4
Development Aid	0.8	8
Other Social & Economic	3.7	34
Totals	10.5	100

Source: Adapted from Renewing the United Nations System, page 144.

THE UNITED STATES AND THE UNITED NATIONS

Clinton Administration

When the Clinton Administration came into office, there were many indications in speeches and media interviews that it intended to place more stress on multilateral cooperation particularly through the United Nations and especially in terms of peacekeeping operations. After severe problems with UN peacekeeping operations in Somalia and Bosnia became apparent, the Administration started backtracking and disavowing any such intention. Starting in the spring of 1993, the Administration conducted a review of:

> ....peacekeeping policies and programs in order to develop a comprehensive policy framework suited to the realities of the post-Cold War period....As specified in the "Bottom-Up Review," the primary mission of the U.S. Armed Forces remains to be prepared to fight and win two simultaneous regional conflicts....peacekeeping can be one useful tool to help prevent and resolve such conflicts before they pose direct threats to our national security. Peacekeeping can also serve U.S. interests by promoting democracy, regional security, and economic growth.

The interagency review concluded in May 1994 with the issuance of Presidential Decision Directive 25, "U.S. Policy on Reforming Multilateral Peace Operations." (Excerpts are in Appendix F.) It stated that the Clinton Administration would seek six improvements in the U.S. approach to peacekeeping operations:

- Make disciplined, coherent choices about which peace operations to support.
- Reduce U.S. costs for UN peace operations from 31.7 percent to 25 percent.
- Retain command of U.S. forces in the President's hands, but place U.S. forces under operational control of U.S. forces of a foreign commander when it serves U.S. security interests.
- Reform and improve UN capabilities to control peace operations.

- Improve U.S. Government management and funding of peace operations.

In February 1995, the Clinton Administration issued the second version of its "A National Security Strategy of Engagement and Enlargement." Its section entitled "Peace Operations" (Appendix G) amplifies the foregoing points and also states that the President "...is firmly committed to securing the active support of the Congress for U.S. participation in peace operations."

Congressional Initiatives

Early in the 104th Congress, the new Republican majority introduced in the House the "National Security Restoration Act," which dealt with peace operations among other topics. The proposed legislation would:

- Require congressional approval of placing U.S. forces under foreign command for UN peacekeeping.

- Require the President to notify Congress before a Security Council vote on authorizing a peacekeeping operation involving American force or funds.

- Require the President to provide to Congress any adopted Security Council resolution authorizing a peacekeeping operation involving American force together with supporting documentation.

- Require the President to notify Congress of U.S. contributions to the United Nations for peacekeeping.

- Mandate that the President submit a report on UN peacekeeping funding at the time the annual budget is submitted to Congress.

- Mandate that the President submit an annual report to Congress on peacekeeping.

- Prohibit using appropriated peacekeeping funds to pay the U.S. portion of UN operational costs, unless the Defense Department certifies that the United Nations has reimbursed it for items provided to the United Nations on a reimbursable basis.

- Specify that U.S. peacekeeping contributions to the United Nations would be subject to congressional authorization.

- Seek to reduce the U.S. portion of UN peacekeeping contributions to 25 percent.

- Encourage that all U.S. peacekeeping funds provided to the United Nations be spent in the United States whenever feasible.

- Encourage the President to take steps to ensure that Americans captured during UN peacekeeping operations are treated as prisoners of war and to punish anyone mistreating captured Americans.

- Restrict provision of U.S. intelligence assets to the United Nations.

- Withhold one-half of U.S. funding for UN peacekeeping until such time as the United Nations has established an effective inspector general office and selected a qualified inspector general.

In the Senate, the majority leader proposed a "Peace Powers Act" which would place very tight restrictions on the President's ability to have the United States participate in UN peacekeeping operations.

Both of the bills caused an immediate and massive response by the Administration, which contends they would terminate U.S. participation in UN peacekeeping operations and virtually bring to an end all such activities.

Public Opinion

In recent public opinion polls, 51 percent of Americans said strengthening the United Nations should be a very important goal of American policy. In 1990, only 44 percent took that position. Regarding America's world role, 65 percent believed that the United States should take an active part in world affairs as opposed to staying out of them. This result is also higher than polls of the 1980s. About half those polled believed that the United States plays a greater role on the world stage than it did in the 1980s, which is a higher response than in any earlier polls; however, a majority of the respondents also thought America should shun unnecessary foreign entanglements.

CONCLUSIONS

After considering the above analyses of U.S. participation in the United Nations and UN operations and programs in relation to the long-term view of The American Legion toward the United Nations and current resolutions, the study group has reached the following conclusions:

- Although the United Nations in half a century of operation has not fulfilled the lofty purposes of international peace and human betterment envisioned by its founders, it continues to be in the national interest for the United States to function as a member of the United Nations.

- Continuing U.S. membership in the United Nations will retain the U.S. veto power in the Security Council to quash unwise international operations and enable the United States to work from within the United Nations for long overdue reforms.

- Despite the fact that the UN's gap between promise and performance remains very large, as the world increasingly becomes economically interdependent and global problems mount, the United Nations can still serve useful, albeit limited, functions that will promote U.S. national interests.

- Above all else, the United States should be bold and insistent in seeking speedy and effective UN reforms.

- The United States continues to pay much more than its proportionate share of UN bills, and several other nations have become prosperous enough to bear a larger share of the UN financial burden, witness the wealthy oil-producing nations and Japan, which depend on the United States for protection in this terrorist-threatened, hostile world.

RECOMMENDATIONS

The study group makes the following recommendations. They are incorporated as appropriate in the proposed implementing resolution in Appendix A, which we recommend the Convention Committee on Foreign Relations recommend for approval by the 77th National Convention.

Peace Operations:

- Continue the current Legion policy expressed in Resolution 217, calling for clear definition of U.S. national interests, congressional approval of using U.S. forces, American command of U.S. forces except in exceptional situations, and full prisoner of war protections for Americans captured during non-traditional military operations.

- Seek quick ratification of the "UN Convention on Protection of Peacekeepers" by the United States and all other nations.

Economic and Social:

- Encourage the United Nations to focus on limited, necessary, achievable tasks that truly better the lot of humankind in a sensible, cost-effective manner.

- Encourage the United Nations not to infringe on national sovereignty when operating economic and social programs.

Structure and Management:

- Do not enlarge the Security Council since this would further complicate UN procedures and dilute U.S. influence.

- Adopt weighted voting procedures in the General Assembly, allocating voting power in relation to financial contributions to the United Nations, as is already done in some bodies of the UN system.

- Eliminate the Trusteeship Council and all other redundant or unneeded agencies.

- Professionalize the UN staff on the basis of merit and qualifications.

- Provide truly independent authority to the Inspector General and see that UN agencies become subject to effective auditing procedures.

- Use American leverage to obtain desired ends in the United Nations by such means as withdrawal from ineffective UN agencies and withholding of funds.

- Admit the Republic of China to full membership in the United Nations since that nation has fulfilled all that is expected of a developing country in adopting democracy, respect for human rights, free enterprise, and a peaceful foreign policy.

Funding:

- Reduce the U.S. share of the regular budget from 25 percent to 20 percent.

- Reduce the U.S. share of peacekeeping funding from 31.7 percent to 20 percent.

The study group believes that, as the United Nations prepares to celebrate its 50th anniversary on October 24, 1995, implementation of the above listed recommendations can go a long way toward making the United Nations a more effective international organization that will be capable of serving humankind even better in the 21st Century.

PROPOSED IMPLEMENTING RESOLUTION

SUBJECT: United Nations

WHEREAS, The American Legion played a significant role in helping to establish the United Nations after World War II, believing it would help prevent the outbreak of future wars; and

WHEREAS, The American Legion has remained generally supportive of the United nations over the succeeding years, although it has been critical of particular ineffective, wasteful or undesirable activities of the United Nations; and

WHEREAS, Although the United Nations in half a century of operation has not fulfilled the lofty purposes of international peace and human betterment envisioned by its founders, it continues to be in the national interest for the United States to function as a member of the United Nations. Continuing American membership in the United Nations will retain the U.S. veto power in the Security Council to quash unwise international operations and enable the United States to work from within the United Nations for long overdue reforms; now, therefore, be it

RESOLVED, By The American Legion in National Convention assembled in Indianapolis, Indiana, September 4,5,6, 1995, That The American Legion urges the U.S. Government to seek the following reforms in the United Nations and to use American leverage to obtain the desired ends by such means as withdrawal from ineffective UN agencies and withholding of funds:

-- Ratify expeditiously the "UN Convention on the Protection of Peacekeepers" and encourage all other nations to do the same.

-- Encourage the United Nations to focus on limited, necessary, achievable tasks that truly better the lot of humankind in a sensible, cost-effective manner.

-- Encourage the United Nations not to infringe on national sovereignty when operating economic and social programs.

-- Adopt weighted voting procedures in the General Assembly, allotting voting power in relation to funds contributed by each member nation to the United Nations.

-- Eliminate the Trusteeship Council and all other redundant or unneeded agencies.

-- Professionalize the UN staff on the basis of merit and qualifications.

-- Provide truly independent authority to the Inspector General and see that UN agencies become subject to effective auditing procedures.

-- Admit the Republic of China to full membership in the United Nations since that nation has fulfilled all that is expected of a developing country by adopting democracy, respect for human rights, free enterprise, and a peaceful foreign policy.

-- Reduce the U.S. share of the regular budget from 25 percent to 20 percent.

-- Reduce the U.S. share of peacekeeping funding from 31.7 percent to 20 percent.

SEVENTY-SIXTH NATIONAL CONVENTION
OF
THE AMERICAN LEGION
MINNEAPOLIS, MINNESOTA
SEPTEMBER 6, 7, 8, 1994

RESOLUTION NO.: 331

SUBJECT: AMERICA'S FUTURE

Origin: Missouri

Submitted By: Foreign Relations Committee

WHEREAS, The major international goals long sought by The American Legion--democracy and deterrence of general war--are closer to realization than ever before; and

WHEREAS, Far-reaching worldwide changes now occurring are altering Americans' perception of the threats to their security and making it imperative for the United States to adjust its grand strategy in light of new realities and future challenges as we prepare for the new millennium; and

WHEREAS, Ideas of democracy and market economics are gaining increasing acceptance around the world, thereby creating new hopes of peace and prosperity for mankind; and

WHEREAS, Nuclear and regional military threats still confront the Free World and transnational issues such as terrorism and drugs still confront civilization; and

WHEREAS, The collapse of the Soviet bloc, demands for democracy in Eastern Europe, ethnic warfare, expansion of Japanese economic power, movement toward European unity, and growing international interdependence jointly create a new political and economic situation in the world; and

WHEREAS, The United States faces serious economic challenges through the relative decline of American economic influence in the world, trade and budget deficits which threaten to limit future prosperity, and worldwide economic competition; and

WHEREAS, As Americans search for a new definition of America's world role, they must forge a bipartisan consensus providing focus, continuity, and wise use of limited national resources for national security-foreign policy purposes; now, therefore, be it

RESOLVED, By The American Legion in National Convention assembled in Minneapolis, Minnesota, September 6, 7, 8, 1994, That The American Legion, as a grassroots organization reaching throughout

the land, recognizes the unprecedented changes sweeping the world and urges the U.S. Government to adopt a bipartisan national security-foreign policy of "Democratic Activism" promoting democratic values, maintaining adequate military strength to deter or defeat aggression, cooperating with allies, encouraging free and fair trade, and assisting developing nations.

SEVENTY-SIXTH NATIONAL CONVENTION
OF
THE AMERICAN LEGION
MINNEAPOLIS, MINNESOTA
SEPTEMBER 6, 7, 8, 1994

RESOLUTION NO.: 336

SUBJECT: U. S. FOREIGN POLICY

Origin: Missouri

Submitted By: Foreign Relations Committee

WHEREAS, Members of The American Legion, as veterans of wartime service in the defense of liberty, have a special concern for maintaining peace with freedom and recognize that a strong U.S. foreign policy is vital in that regard; and

WHEREAS, The official concern of The American Legion stems from that part of the Preamble to the Constitution of The American Legion which states: "We associate ourselves together...to make right the master of might; to promote peace and goodwill on earth; to safeguard and transmit to posterity the principles of justice, freedom and democracy..."; now, therefore, be it

RESOLVED, By The American Legion in National Convention assembled in Minneapolis, Minnesota, September 6, 7, 8, 1994, That The American Legion believes that the objectives of U.S. foreign policy must be to maintain peace with freedom while preserving and promoting democracy; and, be it further

RESOLVED, That U.S. foreign policy should embody the following principles:

1. Recognition of U.S. responsibilities as leader of the Free World and of our heritage and traditions.

2. Dedication to achievement of world peace with freedom, secured by a peace through strength posture.

3. Active promotion of democracy.

4. Support for human rights in other countries.

5. Participation in essential collective security alliances, provided our allies contribute their fair share.

6. Use of national resources in critical world regions to achieve U.S. national interests.

7. Negotiation of equitable, verifiable arms control agreements which improve U.S. national security.

8. Opposition to the spread of nuclear, chemical or biological weapons or long-range ballistic missiles.

9. Determined opposition to international terrorism and drug trafficking.

10. Support for responsible international organizations that are consistent with U.S. sovereignty and serve U.S. national interests.

11. Participation in an increasingly interdependent Free World trading system based on fair and equitable trading practices.

12. Recognition that the world basically operates on a national basis; consequently, U.S. sovereignty must not be abridged unless required by important U.S. national security interests.

13. Recognition that the President must be the chief architect of U.S. foreign policy as envisioned in the U.S. Constitution, while Congress performs important functions of advice and oversight.

SEVENTY-SIXTH NATIONAL CONVENTION
OF
THE AMERICAN LEGION
MINNEAPOLIS, MINNESOTA
SEPTEMBER 6, 7, 8, 1994

RESOLUTION NO.: 337

SUBJECT: UNITED NATIONS

Origin: Missouri

Submitted By: Foreign Relations Committee

WHEREAS, The United Nations is assuming a much larger role in peacekeeping operations; and

WHEREAS, The United States provides the greatest assessed share of the UN budget and provides an even higher percentage of voluntary contributions to some UN special programs, and the United Nations is seeking an increasing U.S. role in peacekeeping operations; and

WHEREAS, The U.S. Constitution gives Congress the power to raise military forces and gives the President command authority over them; now, therefore, be it

RESOLVED, By The American Legion in National Convention assembled in Minneapolis, Minnesota, September 6, 7, 8, 1994, That The American Legion urges the Administration to continue seeking effective, equitable, efficient UN operations consistent with the UN Charter's stated purposes; and, be it further

RESOLVED, That The American Legion believes U.S. military forces should not be placed under foreign command during UN peacekeeping operations, unless vital American national interests require such action.

SEVENTY-SIXTH NATIONAL CONVENTION
OF
THE AMERICAN LEGION
MINNEAPOLIS, MINNESOTA
SEPTEMBER 6, 7, 8, 1994

RESOLUTION NO.: 217

SUBJECT: COMMITMENT OF UNITED STATES MILITARY FORCES IN PEACEKEEPING AND HUMANITARIAN OPERATIONS

Origin: District of Columbia

Submitted By: National Security Committee

WHEREAS, The stated purpose of the War Powers Act (P.L. 93-148 was to "...fulfill the intent of the framers of the Constitution to insure that the collective judgment of both the Congress and the President will apply to the introduction of the United States Armed Forces into hostilities or into situations where imminent hostilities were clearly indicated;" and

WHEREAS, Our Constitution reserves for Congress alone the right to declare war, which it has done only five times in our history and has not done since World War II; and

WHEREAS, During the Cold War, former Secretary of Defense Weinberger in 1985 set forth specified conditions that had to be met before American military forces were committed to combat, namely, that the United States Government had to determine that our vital national interests were at stake; that we were prepared to commit sufficient forces to win; that political and military objectives were clearly defined; that there was reasonable assurance of support from the American people; that U.S. forces should be committed as a last resort; and that the United States had a clear exit strategy; and

WHEREAS, The successes of United States military operations in Grenada, Panama, and the Persian Gulf demonstrated what our Armed Forces could achieve with well-defined goals and objectives and the unquestioned support of the American people; and the tragedies of Lebanon and Somalia have shown what can happen when they had neither; and

WHEREAS, To enhance public support, Americans need a clear definition of United States vital national interests in all military deployments to include peacekeeping and humanitarian operations, particularly when the authority to authorize and commit American military forces appears to have been delegated to the United Nations to decide where, when, and for how long U.S. troops should be put in harm's way; and

WHEREAS, When the United Nations, through Resolution 814, changed the mission in Somalia from a humanitarian operation to one of

"nation-building" involving U.S. combat operations which resulted in American casualties and one detainee, it was done without the benefit of Congressional input or the acknowledgment of the American people; and

WHEREAS, According to current Department of Defense policy, United States military personnel captured during such peacekeeping, peacemaking, humanitarian, or nation-building operations are not designated as prisoners of war but as hostages or detainees with no defined legal rights under the Geneva Convention; and

WHEREAS, The National Executive Committee adopted a similar resolution at its Fall 1993 meeting; now, therefore, be it

RESOLVED, By The American Legion in National Convention assembled in Minneapolis, Minnesota, September 6, 7, 8, 1994, That The American Legion urge the United States Government to include the following principles as an integral part of its national security and foreign policy decision-making process when considering the commitment of United States military forces: America needs a clear definition of its vital national interests as they relate to all military operations to include peacekeeping and humanitarian operations; that Congress should approve the commitment of United States troops to any further peacekeeping and humanitarian operations; that United States military forces should not be placed under foreign or United Nations command except in exceptional circumstances where Congress grants specific approval; and that American service men and women captured during these types of operations should be granted full POW status and afforded all the protections of the Geneva Conventions; and, be it further

RESOLVED, That The American Legion is convinced that a stronger policy is required to be adopted by the United States Government to ensure that every service man or woman captured by hostile forces knows that his or her Government will take whatever measures are required to secure their release, including the use of force, and that those belligerents who violate such a policy should be held accountable and face the full wrath of the United States.

CHARTER OF THE UNITED NATIONS (Excerpts)

Introductory Note

The Charter of the United Nations was signed on 26 June 1945, in San Francisco, at the conclusion of the United Nations Conference on International Organization, and came into force on 24 October 1945. The Statute of the International Court of Justice is an integral part of the Charter.

Amendments to Articles 23, 27 and 61 of the Charter were adopted by the General Assembly on 17 December 1963 and came into force on 31 August 1965. A further amendment to Article 61 was adopted by the General Assembly on 20 December 1971, and came into force on 24 September 1973. An amendment to Article 109, adopted by the General Assembly on 20 December 1965, came into force on 12 June 1968.

The amendment to Article 23 enlarges the membership of the Security Council from eleven to fifteen. The amended Article 27 provides that decisions of the Security Council on procedural matters shall be made by an affirmative vote of nine members (formerly seven) and on all other matters by an affirmative vote of nine members (formerly seven), including the concurring votes of the five permanent members of the Security Council.

The amendment to Article 61, which entered into force on 31 August 1965, enlarged the membership of the Economic and Social Council from eighteen to twenty seven. The subsequent amendment to that Article, which entered into force on 24 September 1973, further increased the membership of the Council from twenty seven to fifty-four.

The amendment to Article 109, which relates to the first paragraph of that Article, provides that a General Conference of Member States for the purpose of reviewing the Charter may be held at a date and place to be fixed by a two thirds vote of the members of the General Assembly and by a vote of any nine members (formerly seven) of the Security Council. Paragraph 3 of Article 109, which deals with the consideration of a possible review conference during the tenth regular session of the General Assembly, has been retained in its original form in its reference to a "vote, of any seven members of the Security Council", the paragraph having been acted upon in 1955 by the General Assembly, at its tenth regular session, and by the Security Council.

Charter of the United Nations

We the Peoples of the United Nations Determined

to save succeeding generations from the scourge of war, which twice in our lifetime has brought untold sorrow to mankind, and

to reaffirm faith in fundamental human rights, in the dignity and worth of the human person, in the equal rights of men and women and of nations large and small, and

to establish conditions under which justice and respect for the obligations arising from treaties and other sources of international law can be maintained, and

to promote social progress and better standards of life in larger freedom,

And for These Ends

to practice tolerance and live together in peace with one another as good neighbors, and

to unite our strength to maintain international peace and security, and

to ensure, by the acceptance of principles and the institution of methods, that armed force shall not be used, save in the common interest, and

to employ international machinery for the promotion of the economic and social advancement of all peoples,

Have Resolved to Combine Our Efforts to Accomplish These Aims

Accordingly, our respective Governments, through representatives assembled in the city of San Francisco, who have exhibited their full powers found to be in good and due form, have agreed to the present Charter of the United Nations and do hereby establish an international organization to be known as the United Nations.

CHAPTER I – PURPOSES AND PRINCIPLES

Article 1

The Purposes of the United Nations are:

1. To maintain international peace and security, and to that end: to take effective collective measures for the prevention and removal of threats to the peace, and for the suppression of acts of aggression or other breaches of the peace, and to bring about by peaceful means, and in conformity with the principles of justice and international law, adjustment or settlement of international disputes or situations which might lead to a reach of the peace;

2. To develop friendly relations among nations based on respect for the principle of equal rights and self-determination of peoples, and to take other appropriate measures to strengthen universal peace;

3. To achieve international co-operation in solving international problems of an economic, social, cultural, or humanitarian character, and in promoting and encouraging respect for human rights and for fundamental freedoms for all without distinction as to race, sex, language, or religion; and

4. To be a centre for harmonizing the actions of nations in the attainment of these common ends.

Article 2

The Organization and its Members, in pursuit of the Purposes stated in Article 1, shall act in accordance with the following Principles.

1. The Organization is based on the principle of the sovereign equality of all its Members.

2. All Members, in order to ensure to all of them the rights and benefits resulting from membership, shall fulfil in good faith the obligations assumed by them in accordance with the present Charter.

3. All Members shall settle their international disputes by peaceful means in such a manner that international peace and security, and justice, are not endangered.

4. All Members shall refrain in their international relations from the threat or use of force against the territorial integrity or political independence of any state, or in any other manner inconsistent with the Purposes of the United Nations.

5. All Members shall give the United Nations every assistance in any action it takes in accordance with the present Charter, and shall refrain from giving assistance to any state against which the United Nations is taking preventive or enforcement action.

6. The Organization shall ensure that states which are not Members of the United Nations act in accordance with these Principles so far as may be necessary for the maintenance of international peace and security.

7. Nothing contained in the present Charter shall authorize the United Nations to intervene in matters which are essentially within the domestic jurisdiction of any state or shall require the Members to submit such matters to settlement under the present Charter; but this principle shall not prejudice the application of enforcement measures under Chapter VII.

CHAPTER II – MEMBERSHIP

Article 3

The original Members of the United Nations shall be the states which, having participated in the United Nations Conference on International Organization at San Francisco, or having previously signed the Declaration by United Nations of 1 January 1942, sign the present Charter and ratify it in accordance with Article 110.

Article 4

1. Membership in the United Nations is open to all other peace-loving states which accept the obligations contained in the present Charter and, in the judgment of the Organization, are able and willing to carry out these obligations.

2. The admission of any such state to membership in the United Nations will be effected by a decision of the General Assembly upon the recommendation of the Security Council.

Article 5

A Member of the United Nations against which preventive or enforcement action has been taken by the Security Council may be suspended from the exercise of the rights and privileges of membership by

the General Assembly upon the recommendation of the Security Council. The exercise of these rights and privileges may be restored by the Security Council.

Article 6

A Member of the United Nations which has persistently violated the Principles contained in the present Charter may be expelled from the Organization by the General Assembly upon the recommendation of the Security Council.

CHAPTER III – ORGANS

Article 7

1. There are established as the principal organs of the United Nations: a General Assembly, a Security Council, an Economic and Social Council, a Trusteeship Council, an International Court of Justice, and a Secretariat.

2. Such subsidiary organs as may be found necessary may be established in accordance with the present Charter.

Article 8

The United Nations shall place no restrictions on the eligibility of men and women to participate in any capacity and under conditions of equality in its principal and subsidiary organs.

CHAPTER IV – THE GENERAL ASSEMBLY

Composition

Article 9

1. The General Assembly shall consist of all the Members of the United Nations.

2. Each Member shall have not more than five representatives in the General Assembly.

Functions and Powers

Article 10

The General Assembly may discuss any questions or any matters within the scope of the present Charter or relating to the powers and functions of any organs provided for in the present Charter, and, except as provided in Article 12, may make recommendations to the Members of the United Nations or to the Security Council or to both on any such questions or matters.

Article 11

1. The General Assembly may consider the general principles of co-operation in the maintenance of international peace and security, including the principles governing disarmament and the regulation of armaments, and may make recommendations with regard to such principles to the Members or to the Security Council or to both.

2. The General Assembly may discuss any questions relating to the maintenance of international peace and security brought before it by any Member of the United Nations, or by the Security Council, or by a state which is not a Member of the United Nations in accordance with Article 35, paragraph 2, and, except as provided in Article 12, may make recommendations with regard to any such questions to the state or states concerned or to the Security Council or to both. Any such question on which action is necessary shall be referred to the Security Council by the General Assembly either before or after discussion.

3. The General Assembly may call the attention of the Security Council to situations which are likely to endanger international peace and security.

4. The powers of the General Assembly set forth in this Article shall not limit the general scope of Article 10.

Article 12

1. While the Security Council is exercising in respect of any dispute or situation the functions assigned to it in the present Charter, the General Assembly shall not make any recommendation with regard to that dispute or situation unless the Security Council so requests.

2. The Secretary-General, with the consent of the Security Council, shall notify the General Assembly at each session of any matters relative to the maintenance of international peace and security which are being dealt with by the Security Council and shall similarly notify the General Assembly, or the Members of the United Nations if the General Assembly is not in session, immediately the Security Council ceases to deal with such matters.

Article 13

1. The General Assembly shall initiate studies and make recommendations for the purpose of:

a. promoting international co operation in the political field and encouraging the progressive development of international law and its codification;

b. promoting international co operation in the economic, social, cultural, educational, and health fields, and assisting in the realization of human rights and fundamental freedoms for all without distinction as to race, sex, language, or religion.

2. The further responsibilities, functions and powers of the General Assembly with respect to matters mentioned in paragraph 1 (b) above are set forth in Chapters IX and X.

Article 14

Subject to the provisions of Article 12, the General Assembly may recommend measures for the peaceful adjustment of any situation, regardless of origin, which it deems likely to impair the general welfare or friendly relations among nations, including situations resulting from a violation of the provisions of the present Charter setting forth the Purposes and Principles of the United Nations.

Article 15

1. The General Assembly shall receive and consider annual and special reports from the Security Council; these reports shall include an account of the measures that the Security Council has decided upon or taken to maintain international peace and security.

2. The General Assembly shall receive and consider reports from the other organs of the United Nations.

Article 16

The General Assembly shall perform such functions with respect to the international trusteeship system as are assigned to it under Chapters XII and XIII, including the approval of the trusteeship agreements for areas not designated as strategic

Article 17

1. The General Assembly shall consider and approve the budget of the Organization.

2. The expenses of the Organization shall be borne by the Members as apportioned by the General Assembly.

3. The General Assembly shall consider and approve any financial and budgetary arrangements with specialized agencies referred to in Article 57 and shall examine the administrative budgets of such specialized agencies with a view to making recommendations to the agencies concerned.

Voting

Article 18

1. Each member of the General Assembly shall have one vote.

2. Decisions of the General Assembly on important questions shall be made by a two-thirds majority of the members present and voting. These questions shall include: recommendations with respect to the maintenance of international peace and security, the election of the non permanent members of the Security Council, the election of the members of the Economic and Social Council, the election of members of the Trusteeship Council in accordance with paragraph 1(c) of Article 86, the admission of new Members to the United Nations, the suspension of the rights and privileges of membership, the expulsion of Members, questions relating to the operation of the trusteeship system, and budgetary questions.

3. Decisions on other questions, including the determination of additional categories of questions to be decided by a two thirds majority, shall be made by a majority of the members present and voting.

Article 19

A Member of the United Nations which is in arrears in the payment of its financial contributions to the Organization shall have no vote in the General Assembly if the amount of its arrears equals or exceeds the amount of the contributions due from it for the preceding two full years. The General Assembly may, nevertheless, permit such a Member to vote if it is satisfied that the failure to pay is due to conditions beyond the control of the Member.

Procedure

Article 20

The General Assembly shall meet in regular annual sessions and in such special session as occasion may require. Special sessions shall be convoked by the Secretary-General at the request of the Security Council or of a majority of the Members of the United Nations

Article 21

The General Assembly shall adopt its own rules of procedure. It shall elect its President for each session.

Article 22

The General Assembly may establish such subsidiary organs as it deems necessary for the performance of its functions.

CHAPTER V – THE SECURITY COUNCIL

Composition

Article 23

1. The Security Council shall consist of fifteen Members of the United Nations. The Republic of China, France, the Union of Soviet Socialist Republics, the United Kingdom of Great Britain and Northern Ireland, and the United States of America shall be permanent members of the Security Council. The General Assembly shall elect ten other Members of the United Nations to be non-permanent members of the Security Council, due regard being specially paid, in the first instance to the contribution of Members of the United Nations to the maintenance of international peace and security and to the other purposes of the Organization, and also to equitable geographical distribution.

2. The non-permanent members of the Security Council shall be elected for a term of two years. In the first election of the nonpermanent members after the increase of the membership of the Security Council from eleven to fifteen, two of the four additional members shall be chosen for a term of one year. A retiring member shall not be eligible for immediate re-election.

3. Each member of the Security Council shall have one representative.

Functions and Powers

Article 24

1. In order to ensure prompt and effective action by the United Nations, its Members confer on the Security Council primary responsibility for the maintenance of international peace and security, and agree that in carrying out its duties under this responsibility the Security Council acts on their behalf.

2. In discharging these duties the Security Council shall act in accordance with the Purposes and Principles of the United Nations. The specific powers granted to the Security Council for the discharge of these duties are laid down in Chapters VI, VII, VIII, and XII.

3. The Security Council shall submit annual and, when necessary, special reports to the General Assembly for its consideration.

Article 25

The Members of the United Nations agree to accept and carry out the decisions of the Security Council in accordance with present charter.

Article 26

In order to promote the establishment and maintenance of international peace and security with the least diversion for armaments of the world's human and economic resources, the Security Council shall be responsible for formulating, with the assistance of the Military Staff Committee referred to in Article 47, plans to be submitted to the Members of the United Nations for the establishment of a system for the regulation of armaments.

Voting

Article 27

1. Each member of the Security Council shall have one vote.

2. Decisions of the Security Council on procedural matters shall be made by an affirmative vote of nine members.

3. Decisions of the Security Council on all other matters shall be made by an affirmative vote of nine members including the concurring votes of the permanent members; provided that, in decisions under Chapter VI, and under paragraph 3 of Article 52, a party to a dispute shall abstain from voting.

Procedure

Article 28

1. The Security Council shall be so organized as to be able to function continuously. Each member of the Security Council shall for this purpose be represented at all times at the seat of the Organization.

2. The Security Council shall hold periodic meetings at which each of its members may, if it so desires, be represented by a member of the government or by some other specially designated representative.

3. The Security Council may hold meetings at such places other than the seat of the Organization as in its judgement will best facilitate its work.

Article 29

The Security Council may establish such subsidiary organs as it deems necessary for the performance of its functions.

Article 30

The Security Council shall adopt its own rules of procedure, including the method of selecting its President.

Article 31

Any Member of the United Nations which is not a member of the Security Council may participate, without vote, in the discussion of any questions brought before the Security Council whenever the latter considers that the interests of that Member are specially affected.

Article 32

Any Member of the United Nations which is not a member of the Security Council or any state which is not a Member of the United Nations, if it is party to a dispute under consideration by the Security Council, shall be invited to participate, without vote, in the discussion relating to the dispute. The Security Council shall lay down such conditions as it deems just for the participation of a state which is not a Member of the United Nations.

Chapter VI – PACIFIC SETTLEMENT OF DISPUTES

Article 33

1. The parties to any dispute, the continuance of which is likely to endanger the maintenance of international peace and security, shall first of all, seek a solution by negotiation, enquiry, mediation, conciliation, arbitration, judicial settlement, resort to regional agencies or arrangements, or other peaceful means of their own choice.

2. The Security Council shall, when it deems necessary, call upon the parties to settle their dispute by such means.

Article 34

The Security Council may investigate any dispute, or situation which might lead to international friction or give rise to a dispute, in order to determine whether the continuance of the dispute or situation is likely to endanger the maintenance of international peace and security.

Article 35

1. Any Member of the United Nations may bring to dispute, or any situation of the nature referred to in Article 34, to the attention of the Security Council or of the General Assembly.

2. A state which is not a Member of the United Nations may bring to the attention of the Security Council or of the General Assembly any dispute to which it is a party if it accepts in advance for the purposes of the dispute, the obligations of pacific settlement provided in the present Charter.

3. The proceedings of the General Assembly in respect of matters brought to its attention under this Article will be subject to the provisions of Articles 11 and 12.

Article 36

1. The Security Council may, at any stage of a dispute of the nature referred to in Article 33 or of a situation of like nature, recommend appropriate procedures or methods of adjustment.

2. The Security Council should take into consideration any procedures for the settlement of the dispute which have already been adopted by the parties.

3. In making recommendations under this Article the Security Council should also take into consideration that legal disputes should as a general rule be referred by the parties to the International Court of Justice in accordance with the provisions of the Statute of the Court.

Article 37

1. Should the parties to a dispute of the nature referred to in Article 33 fail to settle it by the means indicated in that Article, they shall refer it to the Security Council.

2. If the Security Council deems that the continuance of the dispute is in fact likely to endanger the maintenance of international peace and security,

it shall decide whether to take action under Article 36 or to recommend such terms of settlement as it may consider appropriate.

Article 38

Without prejudice to the provisions of Articles 33 to 37, the Security Council may, if all the parties to any dispute so request, make recommendations to the parties with a view to a pacific settlement of the dispute.

Chapter VII

ACTION WITH RESPECT TO THREATS TO THE PEACE, BREACHES OF THE PEACE, AND ACTS OF AGGRESSION

Article 39

The Security Council shall determine the existence of any threat to the peace, breach of the peace, or act of aggression and shall make recommendations, or decide what measures shall be taken in accordance with Articles 41 and 42, to maintain or restore international security.

Article 40

In order to prevent an aggravation of the situation, the Security Council may, before making recommendations or deciding upon the measures provided for in Article 39, call upon the parties concerned to comply with such provisional measures as it deems necessary or desirable. Such provisional measures shall be without prejudice to the rights, claims, or position of the parties concerned. The Security Council shall duly take account of failure to comply with such provisional measures.

Article 41

The Security Council may decide what measures not involving the use of armed force are to be employed to give effect to its decisions, and it may call upon the Members of the United Nations to apply such measures. These may include complete or partial interruption of economic relations and of rail, sea, air, postal, telegraphic, radio, and other means of communication, and the severance of diplomatic relations.

Article 42

Should the Security Council consider that measures provided for in Article 41 would be inadequate or have proved to be inadequate, it may take such action by air, sea, or land forces as may be necessary to maintain or restore international peace and security. Such action may include demonstrations, blockade, and other operations by air, sea, or land forces of Members of the United Nations.

Article 43

1. All Members of the United Nations, in order to contribute to the maintenance of international peace and security, undertake to make available to the Security Council on its call and in accordance with a special agreement or agreements, armed forces, assistance, and facilities, including rights of passage, necessary for the purpose of maintaining international peace and security.

2. Such agreement or agreements shall govern the numbers and types of forces, their degree of readiness and general location, and the nature of the facilities and assistance to be provided.

3. The agreement or agreements shall be negotiated as soon as possible on the initiative of the Security Council. They shall be concluded between the Security Council and Members or between the Security Council and groups of Members and shall be subject to ratification by the signatory states in accordance with their respective constitutional processes.

Article 44

When the Security Council has decided to use force it shall, before calling upon a Member not represented on it to provide armed forces in fulfilment of the obligations assumed under Article 43, invite that Member, if the Member so desires, to participate in the decisions of the Security Council concerning the employment of contingents of that Member's armed forces.

Article 45

In order to enable the United Nations to take urgent military measures, Members shall hold immediately available national air force contingents for combined international enforcement action. The strength and degree of readiness of these contingents and plans for their combined action shall be determined, within the limits laid down in the special agreement or agreements referred to in Article 43, by the Security Council with the assistance of the Military Staff Committee.

Article 46

Plans for the application of armed force shall be made by the Security Council with the assistance of the Military Staff Committee.

Article 47

1. There shall be established a Military Staff Committee to advise and assist the Security Council on all questions relating to the Security Council's military requirements for the maintenance of international peace and security, the employment and command of forces placed at its disposal, the regulation of armaments, and possible disarmament.

2. The Military Staff Committee shall consist of the Chiefs of Staff of the permanent members of the Security Council or their representatives. Any Member of the United Nations not permanently represented on the Committee shall be invited by the Committee to be associated with it when the efficient discharge of the Committee's responsibilities requires the participation of that Member in its work.

3. The Military Staff Committee shall be responsible under the Security Council for the strategic direction of any armed forces placed at the disposal of the Security Council. Questions relating to the command of such forces shall be worked out subsequently.

4. The Military Staff Committee, with the authorization of the Security Council and after consultation with appropriate regional agencies, may establish regional sub-committees.

Article 48

1. The action required to carry out the decisions of the Security Council for the maintenance of international peace and security shall be taken by all the Members of the United Nations or by some of them, as the Security Council may determine.

2. Such decisions shall be carried out by the Members of the United Nations directly and through their action in the appropriate international agencies of which they are members.

Article 49

The Members of the United Nations shall join in affording mutual assistance in carrying out the measures decided upon by the Security Council.

Article 50

If preventive or enforcement measures against any state are taken by the Security Council, any other state, whether a Member of the United Nations or not, which finds itself confronted with special economic problems arising from the carrying out of those measures shall have the right to consult the Security Council with regard to a solution of those problems.

Article 51

Nothing in the present Charter shall impair the inherent right of individual or collective self defence if an armed attack occurs against a Member of the United Nations, until the Security Council has taken measures necessary to maintain international peace and security. Measures taken by Members in the exercise of this right of self defence shall be immediately reported to the Security Council and shall not in any way affect the authority and responsibility of the Security Council under the present Charter to take at any time such action as it deems necessary in order to maintain or restore international peace and security.

CHAPTER VIII – REGIONAL ARRANGEMENTS

Article 52

1. Nothing in the present Charter precludes the existence of regional arrangements or agencies for dealing with such matters relating to the maintenance of international peace and security as are appropriate for regional action, provided that such arrangements or agencies and their activities are consistent with the Purposes and Principles of the United Nations.

2. The Members of the United Nations entering into such arrangements or constituting such agencies shall make every effort to achieve pacific settlement of local disputes through such regional arrangements or by such regional agencies before referring them to the Security Council.

3. The Security Council shall encourage the development of pacific settlement of local disputes through such regional arrangements or by such regional agencies either on the initiative of the states concerned or by reference from the Security Council.

4. This Article in no way impairs the application of Articles 34 and 35.

22-223 O - 96 - 5

Article 53

1. The Security Council shall, where appropriate, utilize such regional arrangements or agencies for enforcement action under its authority. But no enforcement action shall be taken under regional arrangements or by regional agencies without the authorization of the Security Council, with the exception of measures against any enemy state, as defined in paragraph 2 of this Article, provided for pursuant to Article 107 or in regional arrangements directed against renewal of aggressive policy on the part of any such state, until such time as the Organization may, on request of the Governments concerned, be charged with the responsibility for preventing further aggression by such a state.

2. The term enemy state as used in paragraph 1 of this Article applies to any state which during the Second World War has been an enemy of any signatory of the present Charter.

Article 54

The Security Council shall at all times be kept fully informed of activities undertaken, or in contemplation under regional arrangements or by regional agencies for the maintenance of international peace and security.

THE UNITED NATIONS SYSTEM

INTERNATIONAL COURT OF JUSTICE

GENERAL ASSEMBLY

- Main and other sessional committees
- Standing committees and ad hoc bodies
- Other subsidiary organs and related bodies

▸ UNRWA
United Nations Relief and Works Agency for Palestine Refugees in the Near East

■ IAEA
International Atomic Energy Agency

ECONOMIC AND SOCIAL COUNCIL

▸ INSTRAW
International Research and Training Institute for the Advancement of Women

▸ UNCHS
United Nations Centre for Human Settlements (Habitat)

▸ UNCTAD
United Nations Conference on Trade and Development

▸ UNDCP
United Nations International Drug Control Programme

▸ UNDP
United Nations Development Programme

▸ UNEP
United Nations Environment Programme

▸ UNFPA
United Nations Population Fund

▸ UNHCR
Office of the United Nations High Commissioner for Refugees

▸ UNICEF
United Nations Children's Fund

▸ UNIFEM
United Nations Development Fund for Women

▸ UNITAR
United Nations Institute for Training and Research

▸ UNU
United Nations University

▸ WFC
World Food Council

▸ WFP
World Food Programme

▸ ITC
International Trade Centre UNCTAD/GATT

• FUNCTIONAL COMMISSIONS
- Commission for Social Development
- Commission on Crime Prevention and Criminal Justice
- Commission on Human Rights
- Commission on Narcotic Drugs
- Commission on Science and Technology for Development
- Commission on Sustainable Development
- Commission on the Status of Women
- Population Commission
- Statistical Commission

• REGIONAL COMMISSIONS
- Economic Commission for Africa (ECA)
- Economic Commission for Europe (ECE)
- Economic Commission for Latin America and the Caribbean (ECLAC)
- Economic and Social Commission for Asia and the Pacific (ESCAP)
- Economic and Social Commission for Western Asia (ESCWA)

• SESSIONAL AND STANDING COMMITTEES

• EXPERT, AD HOC AND RELATED BODIES

■ ILO
International Labour Organisation

■ FAO
Food and Agriculture Organization of the United Nations

■ UNESCO
United Nations Educational, Scientific and Cultural Organization

■ WHO
World Health Organization

World Bank Group

- ■ IBRD
International Bank for Reconstruction and Development (World Bank)
- ■ IDA
International Development Association
- ■ IFC
International Finance Corporation
- ■ MIGA
Multilateral Investment Guarantee Agency

■ IMF
International Monetary Fund

■ ICAO
International Civil Aviation Organization

■ UPU
Universal Postal Union

■ ITU
International Telecommunication Union

■ WMO
World Meteorological Organization

■ IMO
International Maritime Organization

■ WIPO
World Intellectual Property Organization

■ IFAD
International Fund for Agricultural Development

■ UNIDO
United Nations Industrial Development Organization

■ GATT
General Agreement on Tariffs and Trade

SECURITY COUNCIL

- Military Staff Committee
- Standing committees and ad hoc bodies

Peace keeping operations

▸ UNTSO
United Nations Truce Supervision Organization
June 1948 to date

▸ UNMOGIP
United Nations Military Observer Group in India and Pakistan
January 1949 to date

▸ UNFICYP
United Nations Peace-keeping Force in Cyprus
March 1964 to date

▸ UNDOF
United Nations Disengagement Observer Force
June 1974 to date

▸ UNIFIL
United Nations Interim Force in Lebanon
March 1978 to date

▸ UNIKOM
United Nations Iraq-Kuwait Observation Mission
April 1991 to date

▸ UNAVEM II
United Nations Angola Verification Mission II
June 1991 to date

▸ ONUSAL
United Nations Observer Mission in El Salvador
July 1991 to date

▸ MINURSO
United Nations Mission for the Referendum in Western Sahara
September 1991 to date

▸ UNPROFOR
United Nations Protection Force
March 1992 to date

▸ UNOSOM
United Nations Operation in Somalia
April 1992 to date

▸ ONUMOZ
United Nations Operation in Mozambique
December 1992 to date

▸ UNOMUR
United Nations Observer Mission Uganda Rwanda
June 1993 to date

▸ UNOMIG
United Nations Observer Mission in Georgia
August 1993 to date

▸ UNMIH
United Nations Mission in Haiti
September 1993 to date

▸ UNOMIL
United Nations Observer Mission in Liberia
September 1993 to date

SECRETARIAT

TRUSTEESHIP COUNCIL

▸ United Nations programmes and organs (representative list only)
■ Specialized agencies and other autonomous organizations within the system
• Other commissions, committees and ad hoc and related bodies

UNITED NATIONS

EXECUTIVE SUMMARY:

The Clinton Administration's Policy

on Reforming Multilateral Peace Operations

Last year, President Clinton ordered an inter-agency review of our nation's peacekeeping policies and programs in order to develop a comprehensive policy framework suited to the realities of the post-Cold War period. This policy review has resulted in a Presidential Decision Directive (PDD). The President signed this directive, following the completion of extensive consultations with Members of Congress. This paper summarizes the key elements of that directive.

As specified in the "Bottom-Up Review," the primary mission of the U.S. Armed Forces remains to be prepared to fight and win two simultaneous regional conflicts. In this context, peacekeeping can be one useful tool to help prevent and resolve such conflicts before they pose direct threats to our national security. Peacekeeping can also serve U.S. interests by promoting democracy, regional security, and economic growth.

The policy directive (PDD) addresses six major issues of reform and improvement:

1. Making disciplined and coherent choices about which peace operations to support -- both when we vote in the Security Council for UN peace operations and when we participate in such operations with U.S. troops.

   -- To achieve this goal, the policy directive sets forth three increasingly rigorous standards of review for U.S. support for or participation in peace operations, with the most stringent applying to U.S. participation in missions that may involve combat. The policy directive affirms that peacekeeping can be a useful tool for advancing U.S. national security interests in some circumstances, but both U.S. and UN involvement in peacekeeping must be selective and more effective.

2. Reducing U.S. costs for UN peace operations, both the percentage our nation pays for each operation and the cost of the operations themselves.

   -- To achieve this goal, the policy directive orders that we work to reduce our peacekeeping assessment percentage from the current 31.7% to 25% by January 1, 1996, and proposes a number of specific steps to reduce the cost of UN peace operations.

3. Defining clearly our policy regarding the command and control of American military forces in UN peace operations.

   -- The policy directive underscores the fact that the President will never relinquish command of U.S. forces. However, as Commander-in-Chief, the President has the authority to place U.S. forces under the operational control of a foreign commander when doing so serves American security interests, just as American leaders have done numerous times since the Revolutionary War, including in Operation Desert Storm.

   -- The greater the anticipated U.S. military role, the less like it will be that the U.S. will agree to have a UN commander exercise overall operational control over U.S. forces. Any large scale participation of U.S. forces in a major peace enforcement operation that is likely to involve combat should ordinarily be conducted under U.S. command and operational control or through competent regional organizations such as NATO or ad hoc coalitions.

4. Reforming and improving the UN's capability to manage peace operations.

   -- The policy recommends 11 steps to strengthen UN management of peace operations and directs U.S. support for strengthening the UN's planning, logistics, information and command and control capabilities.

5. Improving the way the U.S. government manages and funds peace operations.

   -- The policy directive creates a new "shared responsibility" approach to managing and funding UN peace operations within the U.S. Government. Under this approach, the Department of Defense will take lead management and funding responsibility for those UN operations that involve U.S. combat units and those that are likely to involve combat, whether or not U.S. troops are involved. This approach will ensure that military expertise is brought to bear on those operations that have a significant military component.

   -- The State Department will retain lead management and funding responsibility for traditional peacekeeping operations that do not involve U.S. combat units. In all cases, the State Department remains responsible for the conduct of diplomacy and instructions to embassies and our UN Mission in New York.

6. Creating better forms of cooperation between the Executive, the Congress and the American public on peace operations.

   -- The policy directive sets out seven proposals for increasing and regularizing the flow of information and consultation between the executive branch and Congress; the President believes U.S. support for and participation in UN peace operations can only succeed over the long term with the bipartisan support of Congress and the American people.

Peace Operations

In addition to preparing for major regional contingencies, we must prepare our forces for peace operations to support democracy or conflict resolution. The United States, along with others in the international community, will seek to prevent and contain localized conflicts before they require a military response. U.S. support capabilities such as airlift, intelligence, and global communications, have often contributed to the success of multilateral peace operations, and they will continue to do so. U.S. combat units are less likely to be used for most peace operations, but in some cases their use will be necessary or desirable and justified by U.S. national interests as guided by the Presidential Decision Directive, 'U.S. Policy on Reforming Multilateral Peace Operations,' and outlined below.

Multilateral peace operations are an important component of our strategy. From traditional peacekeeping to peace enforcement, multilateral peace operations are sometimes the best way to prevent, contain, or resolve conflicts that could otherwise be far more costly and deadly.

Peace operations often have served, and continue to serve, important U.S. national interests. In some cases, they have helped preserve peace between nations, as in Cyprus and the Golan Heights. In others, peacekeepers have provided breathing room for fledgling democracies, as in Cambodia, El Salvador and Namibia.

At the same time, however, we must recognize that some types of peace operations make demands on the UN that exceed the organization's current capabilities. The United States is working with the UN headquarters and other member states to ensure that the UN embarks only on peace operations that make political and military sense and that the UN is able to manage effectively those peace operations it does undertake. We support the creation of a professional UN peace operations headquarters with a planning staff, access to timely intelligence, a logistics unit that can be rapidly deployed and a modern operations center with global communications. The United States will reduce our peacekeeping payments to 25 percent while working to ensure that other nations pay their fair share. We are also working to ensure that peacekeeping operations by appropriate regional organizations such as NATO and the OSCE can be carried out effectively.

In order to maximize the benefits of UN peace operations the United States must make highly disciplined choices about when and under what circumstances to support or participate in them. The need to exercise such discipline is at the heart of President Clinton's policy on Reforming Multilateral Peace Operations. Far from handing a blank check to the UN, the President's policy review on peace operations — the most thorough ever undertaken by an Administration — requires the United States to undertake a rigorous analysis of requirements and capabilities before voting to support or participate in peace operations. The United States has not hesitated to use its position on the Security Council to ensure that the UN authorizes only those peace operations that meet these standards.

Most UN peacekeeping operations do not involve U.S. forces. On those occasions when we consider contributing U.S. forces to a UN peace operation, we will employ rigorous criteria, including the same principles that would guide any decision to employ U.S. forces. In addition, we will ensure that the risks to U.S. personnel and the command and control arrangements governing the participation of American and foreign forces are acceptable to the United States.

The question of command and control is particularly critical. There may be times when it is in our interest to place U.S. troops under the temporary operational control of a competent UN or allied commander. The United States has done so many times in the past — from the siege of Yorktown in the Revolutionary War to the battles of Desert Storm. However, under no circumstances will the President ever relinquish his command authority over U.S. forces.

Improving the ways the United States and the UN decide upon and conduct peace operations will not make the decision to engage any easier. The lesson we must take away from our first ventures in peace operations is not that we should forswear such operations but that we should employ this tool selectively and more effectively. In short, the United States views peace operations as a means to support our national security strategy, not as a strategy unto itself.

Source "A National Security Strategy of Engagement and Enlargement," President of the United States, February 1995, pages 16-17.

The President is firmly committed to securing the active support of the Congress for U.S. participation in peace operations. The Administration has set forth a detailed blueprint to guide consultations with Congress. With respect to particular operations, the Administration will undertake consultations on questions such as the nature of expected U.S. military participation, the mission parameters of the operation, the expected duration, and budgetary implications. In addition to such operation-specific consultations, the Administration has also conducted regular monthly briefings for congressional staff, and will deliver an Annual Comprehensive Report to Congress on Peace Operations. Congress is critical to the institutional development of a successful U.S. policy on peace operations, including the resolution of funding issues which have an impact on military readiness.

Two other points deserve emphasis. First, the primary mission of our Armed Forces is not peace operations; it is to deter and, if necessary, to fight and win conflicts in which our most important interests are threatened. Second, while the international community can create conditions for peace, the responsibility for peace ultimately rests with the people of the country in question.

BIBLIOGRAPHY

Armitage, Richard L. "Bend the U.N. to Our Will." The New York Times, February 24, 1994, p. A23.

Baehr, Peter R. and Gordenker. The United Nations in the 1990s. New York: St. Martin's Press, 1994.

Bolton, John R. "No U.N. Legion." The Washington Post, October 29, 1992, p. A22 and A24-A25.

Browne, Marjorie Ann. Congressional Research Services (CRS) Report for Congress. United Nations Peacekeeping Operations 1988-1993: Background Information. Washington, D.C.: The Library of Congress, November 15, 1993.

Childers, Erskine and Urquhart, Brian. Renewing the United Nations System. Uppsala: Dag Hammarskjold Foundation, 1994.

Crossette, Barbara. "U.N. Chief Chiter Security Council on Military Missions," The New York Times, January 6, 1995, p. A-3.

Eberstadt, Nicholas, "U.N. Summit Follies," Washington Times, March 13, 1995, p. 21.

Final Report of the United States Commission on Improving the Effectiveness of the United Nations. Defining Purpose: The U.N. and the Health of Nations. Washington: Government Printing Office, 1993.

Friedman, Thomas L. "Global Mandate," The New York Times, March 5, 1995, p. E-15.

Frye, William R. "United Nations: What Role in the New World?" Great Decisions, 1993, pp. 15-23.

The Henry L. Stimson Center. Peacekeeping and the US National Interest. Washington: The Henry L. Stimson Center, 1994.

The Heritage Foundation: Backgrounder. Expanding the U.N. Security Council: A Recipe for More Somalias, More Gridlock, and Less Democracy. Washington, D.C.: A United Nations Assessment Project Study, No. 969, December 20, 1993.

The Heritage Foundation: Backgrounder. Human Rights Treaty Poses Dangers for America. Washington, D.C.: A United Nations Assessment Project Study, No. 952, July 22, 1993.

The Heritage Foundation: Backgrounder. No More Somalias: Reconsidering Clinton's Doctrine of Military Humanitarianism. Washington, D.C.: No. 968, December 20, 1993.

The Heritage Foundation. United Nations Peacekeeping Role Poses Risk for America. _Washington, D.C.: A United Nations Assessment Project Study, No. 17, October 13, 1992.

United States General Accounting Office. United Nations: U.S. Participation in Peacekeeping Operations. Washington, D.C.: United States General Accounting Office, September, 1992.

The Heritage Foundation. A World without a U.N. Washington: The Heritage Foundation, 1984.

Kirkpatrick, Jeane. "At the U.N., Dispensing with Reform." The Washington Post, July 28, 1994, p. A30.

Lewis, Paul. "U.S. Panel Splits on Ways to Improve the U.N." The New York Times, September 13, 1993.

Schlafly, Phyllis. "Will U.S. Troops Be Under U.N. Command?" The Washington Times, June 5, 1994, p. B4.

Stanley, Timothy. "A Better Way to Keep the Peace." The American Legion, March 1993, pp. 32-33, 54.

"U.N. and POWs." The American Legion Magazine, April 1994.

United Nations. Image & Reality. New York: United Nations, 1993.

United States Department of State-Bureau of International Organization Affairs, Office of Peacekeeping and Humanitarian Operations. The Clinton Administration's Policy on Reforming Multilateral Peace Operations. Washington, D.C.: May 1994.

Weinrod, W. Bruce "U.N. Peacekeeping: A Question of Command." The American Legion, February 1994, pp. 20-22, 61.

UNITED NATIONS ASSOCIATION
OF THE UNITED STATES OF AMERICA

485 Fifth Avenue
New York, NY 10017-6104
Tel 212 697-3232
Fax 212 682-9185
Cable UNASMER

Washington Office
1010 Vermont Avenue, NW
Suite 904
Washington, DC 20005
Tel 202 347-5004
Fax 202 628-5945

Chair of the Association
John C. Whitehead

Chair, Board of Governors
William J. vanden Heuvel

Chair, Executive Committee
Louis Perlmutter

Co-Chairs, National Council
Elliot L. Richardson
Cyrus R. Vance

National U.N. Day Chair
Carroll Petrie

President & CEO
Thomas B. Morgan

Vice Chairs
Ruth J. Hinerfeld
Estelle Linzer
Arthur Ross
Michael W. Sonnenfeldt

Treasurer
Christopher Brady

Secretary
Shirley Quisenberry

Governors
Peter Adriance
Margaret Bruce
Anne L. Bryant
Margery Cohen
Edison W. Dick
Rodolfo de la Garza
Patrick A. Gerschel
Maurice R. Greenberg
Mary A. Grele
August Heckscher
Ramesh Krishnamurthy
John A. Luke, Jr
Donald F. McHenry
Ken Miller
William A. Miller
James A. R. Nafziger
Ved Nanda
Leo Nevas
William J. Rouhana, Jr
Betty Sandford
Jack Sheinkman
Edwin J. Wesely
Richard S. Williamson
Milton A. Wolf

Executive Director,
Washington Office
Steven A. Dimoff

October 30, 1995

The Honorable Benjamin A. Gilman
Chairman, Committee on International Relations
U.S. House of Representatives
2170 Rayburn House Office Building
Washington, D.C. 20515

Dear Mr. Chairman:

It has recently come to my attention that on October 24, 1995, the Committee on International Relations heard testimony on the subject of United Nations procurement. As you may know, over the past year, the United Nations Association of the United States of America (UNA-USA) has focused on this issue in a very comprehensive manner. It is within this context that UNA-USA wishes to take issue with testimony the Committee heard on October 24. I respectfully request that this letter, in its entirety, be included in the record of the hearing.

I have been working in the United Nations community for the past twelve years, first as an aide to Ambassador Benjamin Netanyahu, Israel's Permanent Representative to the United Nations, and Research Director at the Permanent Mission of Israel to the United Nations, then as Co-Founder and Executive Director of Foundation Emmes, a private, non-profit organization seeking to improve the effectiveness of the United Nations. For the past three years, I have served as Vice President for Corporate and Congressional Affairs at the United Nations Association of the United States of America. In this capacity, I have personally led fact-finding tours to 13 different peacekeeping operations around the world.

Mr. Chairman, you know our organization well and have participated in many of our programs. UNA-USA supports strong U.S. leadership in the United Nations. We believe the United Nations needs to be strengthened. We believe that its member-states must make the United Nations work better. Our 30,000 members in over 175 communities around the country also believe that the U.S. should pay the money it owes to the United Nations. You enjoy warm relations with our Chairman, former Deputy Secretary of State John Whitehead, and many of our senior leaders including Elliot Richardson and Cyrus Vance. You have supported our programs and projects in the past, and I look forward to your continuing participation in our current and future activities.

Mr. Chairman, in January 1995, UNA-USA launched a new project -- the United Nations Procurement Program. This ongoing program focuses on the UN procurement system and seeks to inform and educate American business leaders about the procurement opportunities that are available within the UN system. We study the UN purchasing system in depth, we analyze UN procurement statistics, we are in constant touch with American companies who are currently doing business with the UN or who want to do business with the UN, and finally we monitor the efforts that are being made to reform the system. Our commitment to this project is reflected in the enclosed 385-page book which UNA-USA published in February 1995, entitled ***How To Do Business with the United Nations: The Complete Guide to UN Procurement***. This book is unprecedented. To my knowledge, it is the most comprehensive publication ever written on the topic of United Nations procurement. This book is a best-seller in the business community and UNA-USA intends to update it every year. The 1996 edition will be available in February 1996.

In addition, UNA-USA convenes regional conferences on UN procurement opportunities for business leaders around the country. These conferences are very well attended. Our showcase conference is held every June and is co-sponsored by the United States Permanent Mission to the United Nations

and by the United States Department of Commerce. Finally, UNA-USA convenes monthly luncheons which bring together senior UN procurement officials and senior corporate leaders from around the country. This venue offers both parties an opportunity to discuss new developments and opportunities at the United Nations.

With all of this activity, UNA-USA has become a center of activity regarding procurement opportunities for U.S. companies at the United Nations. We have established credibility, expertise, and legitimacy in the field of UN procurement and the role of U.S. vendors. Moreover, this activity has permitted UNA-USA to establish strong relationships with UN procurement officers and with many corporate leaders. Essentially, Mr. Chairman, UNA-USA has become a leading voice in this area, and we intend to get even more involved in the months and years to come. From our work, it is clear to me that UN procurement practices and statistics are one of the least understood areas of UN activity.

Permit me to set the record straight by giving you some hard facts about UN procurement contracts and U.S. business. The United States is the number one supplier to the United Nations market. It has always held this position, and will keep this position well into the future. In 1994, the entire United Nations system spent approximately $3.8 billion on goods and services around the world. At a minimum, the U.S. share of that market was valued at $737 million. That is 20% of the entire UN market, a 43% increase over last year. This represents a $240 million increase in the volume of U.S. business. To put this figure in its proper perspective, the country with the second largest share of 1994 U.N. procurement contracts was Italy with $230 million (6.1%). That means, last year alone, the U.S. supplied goods and services to the United Nations worth more than three times the value of the next largest supplier. Clearly, there is no level playing field for the U.S. at the United Nations when it comes to procurement contracts. The United States has had, and will continue to

have, the largest share of UN business. These are indisputable facts.

This is true of UN peacekeeping as well -- the single largest area of UN procurement activity. Out of the $3.8 billion the UN spent in 1994, a total of $1.4 billion was spent on UN peacekeeping procurement. Out of that total, U.S. companies received contracts worth $428 million at a minimum. That means the United States received at least 33% of all UN peacekeeping contracts in 1994. Again, the U.S. was the top supplier. These are indisputable facts.

Mr. Chairman, clearly, within the context of such impressive results, the charge that U.S. government officials are "passive" when it comes to helping American companies "work the UN system" is wrong. At the United States Mission to the United Nations, Ambassadors Madeleine Albright and David Birenbaum and a number of dedicated and hard-working staff members are completely engaged in assisting U.S. companies obtain even more UN contracts. Hundreds of company representatives visit officials at US-UN. I know this because these same individuals come to UNA-USA offices in New York when they are in town.

In addition, the U.S. Department of Commerce is also heavily engaged in assisting American companies obtain UN contracts. This sphere of activity is one of the priorities of the New York branch of the Commerce Department. That office fields thousands of phone calls every year, and is a lead organizer for dozens of seminars around the country which include the topic of UN procurement.

Mr. Chairman, U.S. business leaders receive accurate information, good advice, and prompt service from the U.S. Mission to the United Nations and from the U S. Department of Commerce. And it is fair to say that the U.S. procurement figures reflect the strong support given by these government agencies.

UNA-USA buttresses the support provided by these government agencies to the private sector. We have worked closely with both the U.S. Mission and the Commerce Department to inform an increasingly larger number of U.S. companies about UN procurement opportunities. UNA-USA procurement conferences typically attract up to 200 representatives from around the country. In March 1995, for example, UNA-USA organized a conference in Miami, Florida to discuss UN procurement opportunities in the peacekeeping operation in Haiti. Representatives of the U.S. Mission and the Commerce Department gave speeches to a large number of business representatives from south Florida. One of the top UN procurement specialists from Haiti attended the conference, told the participants what kind of goods and services were required, and instructed them on how to submit bids for UN business. As a result of that conference, and a second one we organized in Fort Lauderdale one month later, a number of companies in south Florida received UN contracts for the Haiti mission.

In June 1995, UNA-USA organized a very successful conference at UN Headquarters that was co-sponsored by the U.S. Mission and the U.S. Commerce Department. Business leaders came to UN headquarters from all around the country to participate. And for the first time ever, we had over 25 senior UN procurement officers giving presentations to attendees on an industry-by-industry basis. Finally, our regular UN luncheon series at our headquarters in New York is packed with business leaders who have excellent and, now, routine exposure to senior UN procurement officials.

Taken altogether, this activity is unprecedented. There is no other country in the world that has established such extensive "hands-on" assistance for their county's business community. Contrary to the October 24 testimony, the United States is light years ahead of any other country in terms of helping the private sector and actually obtaining UN procurement contracts.

I also want to point out that the United Nations has been most cooperative in UNA-USA's efforts to inform the U.S. business community about UN procurement opportunities. Senior procurement officials have provided us with all relevant information. They provide easy access to all of the procurement officials whom we seek as speakers, and have been extremely efficient about answering any questions we have regarding complex procurement statistics.

All of these facts clearly contradict the notion that U.S. companies are not receiving fair treatment as a result of Washington's growing debt to the United Nations. To bring this message home to you and to the other members of the Committee, I wish to comment on the alleged UN procurement "horror stories" presented to you on October 24:

1. ***U.S. Procurement in the Haiti Peacekeeping Mission:*** The United Nations did not attempt to exclude American companies from competing for "local area procurement" in the UN mission in Haiti. As you know, UN missions are usually deployed in countries that have been affected by a long conflict, a large-scale humanitarian crisis, and extreme economic under-development. Institutional infrastructures have either disappeared or never existed. Under these conditions, UN procurement officers in the field are typically unable to rely on the surrounding environment for anything less than the most minimal-cost items. Still, the UN tries to buy what it can from local sources in order to save money. Until recently, the UN would typically determine a local area of procurement that included neighboring countries in which UN procurement officers would be allowed to purchase items below a certain dollar amount. This purchasing authority varied with each mission. In the case of Haiti, the local procurement area included the Dominican Republic and a few other Caribbean islands and nations. Hardly anything more than fruit and vegetables would have been purchased from this "local" area. Simultaneously, the UN carries out procurement on an international competitive basis from its headquarters in New York. In the case of Haiti, there was never any question that the

United States was going to be *the* major supplier to the Haiti operation. A journalist who did not know these basic procedures circulated a rumor that the U.S. had been excluded from the local procurement zone and *New York Newsday* ran a story replete with inaccuracies. The truth is that the U.S. was never supposed to be on the local list because it included only countries bordering Haiti. As a result of this confusion, however, and at the urging of the U.S. Mission to the United Nations, Under Secretary-General Joseph Connor discontinued the UN practice of listing local and international purchasing zones. By the way, since January 1995, the U.S. has received UN contracts worth approximately $20 million, including 75% of all contracts awarded by Headquarters.

2. *United Nations contract for UNPROFOR food rations.* A request for proposals for the supply of over 1 million emergency food rations was issued by the UN in August 1994. Half of this contract was for use in UNPROFOR, with the second half to be distributed among other UN missions around the world. A large number of food ration companies were invited to submit proposals, the majority of which were American. Many responses were received which required the testing of multiple samples. Because the UN does not have the capacity to do this kind of testing internally, the UN sent all samples to a U.S. Department of Defense (DoD) laboratory located in Massachusetts. It took this DoD lab over one year to complete the testing process, despite urgent and constant calls by UN procurement officials to speed up the process. The DoD lab found that only two samples had met all of its criteria. This assessment was finally given to the UN only six weeks ago. Currently, the UN is discussing whether or not to uphold the strict standards of the DoD laboratory, or to be more flexible and widen the standards in order to make more companies eligible. At the same time, in view of the changes in UN deployments since the issue date of the Request for Proposal, the requisition may be reduced from one million to 600,000. Since the request was for a proposal and not for a bid, the UN does have the right to make changes in the final parameters of the award. In the meantime, troops serving in UNPROFOR are being fed rations supplied through commercial

tender by a company based in Monaco. There are no standing letters of assist with any government currently to supply food rations on a regular basis to UNPROFOR troops. The UN does purchase combat rations for UNPROFOR, the vast majority of which are being sold to the United Nations by the U.S. Department of Defense for double the market price. In testimony befrore your Committee on October 24, Star Foods Processing was singled out as an American company on the UN's short list which has faced "a decidedly hostile and unwelcome environment in UN procurement offices, including annoying requests for massive amounts of additional information".

Mr. Chairman, UNA is familiar with Star Foods Processing. Its representative has disrupted UNA-USA's own procurement conferences on more than one occasion with unwarranted attacks against the UN procurement system. I have suggested to Star Foods Processing, on more than one occasion, that if it is so difficult to comply with UN requests, then it would be far more constructive for the company to move on to other projects. It is important to note that a number of other U.S. food ration companies do not hold the same view as Star Foods. All of them have gladly complied with UN procedures. And none of them are complaining about "UN hostility".

3. ***UN Procurement in Cambodia.*** Senior UN officials in various peacekeeping operations do not influence procurement officers to award contracts to companies from their own countries. There is simply no evidence to back up this allegation in Cambodia or anywhere else for that matter. Let me review three contracts mentioned in testimony before the Committee on International Relations on October 24.

- In 1992, the Australian company OTC was awarded two contracts for the supply and installation of a full telecommunications network in Cambodia--a country without any telecommunication infrastructure at the time of the UN deployment. The value of these

contracts was $31 million. The OTC proposal included data and voice transmission, 21 earth stations, and the capacity for worldwide satellite communications. In addition, OTC proposed to install, maintain, and service the equipment in Cambodia. This contract was awarded by the UN only after international competition. No other proposal was as competitive as OTC's on the basis of price and services offered. In other words, OTC offered the UN the best price and the best service, and it won the contract fairly. That is the way the process is supposed to work.

- Toyota won the contract to supply jeeps to the Cambodia operation after a fair and businesslike international competition. The Japanese company beat Chrysler by a wide margin. The fact that Mr. Akashi was the Special Representative at the time had absolutely nothing to do with this decision which was made at UN headquarters in New York.

- Again, after a normal and routine international competition, Continental Offshore received a $48 million contract to provide fuel, oil, and lubricants, and to install a distribution network. Cambodia had no distribution network for fuel and other fluids when the UN deployed in the country. Continental Offshore was able to offer the whole range of products and services at the best price. A proposal from Mobil Oil did not include the provision of fuel. Moreover, Mobil did not want to be held accountable as a legal entity for the contract. It wanted to form a joint-venture with a local firm and it was not clear as to who would be held accountable legally. Under such conditions, the UN could not consider Mobil as viable competitor.

Finally, as further proof that the nationality of senior UN officials in peacekeeping operations mean absolutely nothing in terms of UN procurement, let me add one additional fact. There were no U.S. officials in any leadership positions in the Cambodia operation, yet the UN issued over 400 purchase orders to U.S. companies for the Cambodian operation valued at $78.2 million.

4. *Skylink*. The Skylink affair at the United Nations has been well documented in the media, at the UN, and in the United States Congress. Frankly, it is old news. The United Nations initiated an investigation into this incident, suspended a number of procurement officials, and took corrective measures to insure that similar activity would not recur. As a result, the United Nations procurement office is more professional and carries out its functions even better.

5. ***Russian airline companies.*** Russian aircraft and crews have been used repeatedly by the UN for air charter and transportation of troops. Russian planes have no amortization charges since this concept does not exist in Soviet economics. In addition, Russian crews are relatively inexpensive when compared to international prices. The Russian aircraft that meet international standards fly for the UN at nearly unbeatable prices. Any professional aircraft operator will confirm that it is virtually impossible to compete with the cost of flying an aircraft that has no amortization charge.

6. ***Evergreen International Airlines.*** It is true that Evergreen was terminated in 30 days after being awarded a contract for air services along the Iraq-Kuwait border. This was in accordance with a clause in the contract. The Iraqi government would not renew the visas of the American staff of Evergreen, making it impossible for the UN to continue using the firm since the services to be rendered implied travel within Iraq. Ambassador Madeleine Albright took up this matter with Secretary-General Boutros Boutros-Ghali. For political reasons, however, Evergreen was asked to

withdraw. But this particular episode had absolutely nothing to do with UN procurement practices -- the matter was entirely political. Once again, it is wrong to bring up this issue within the context of UN procurement procedures.

Mr. Chairman, I hope that these clarifications will be useful to you and the other members of the Committee. The bottom line is very straightforward -- the United States is the number one supplier of goods and services to the United Nations, and will remain so for the foreseeable future. U.S. companies which do not win UN contracts should review their own actions, admit that another company beat them out fairly, try to do better next time, and get on with other business. All this is not say, however, that the United Nations procurement system does not need to be reformed. It clearly does. A revamped system would benefit the United Nations and its agencies by increasing competition and reducing prices.

It is not easy to do business at the UN, and it is no secret that the UN procurement process needs a complete overhaul. Established at a time when the UN carried out few programs around the world, the current system is simply inadequate to meet the new demands being placed upon the Organization, especially in the area of peacekeeping. Since the explosion in the number and size of peacekeeping operations in the late 1980s, UN officials have had to scramble to build a procurement system that can sustain the amount of activity the UN is now called upon to conduct. The result has been an ad hoc approach to billions of dollars' worth of business, with little time to implement fundamental and increasingly urgent reform.

However, Mr. Chairman, UN procurement officials are among the fiercest advocates of revamping the system. They realize that reform will mean stronger competition, improved products, and lower prices. The UN's senior leadership also advocates reform, since there is growing recognition that

the UN is increasingly unable to keep up with the new demands being placed upon it. As a result, the UN itself has initiated an effort to reform the entire procurement system. As a first step, in December 1994, an international group of procurement experts issued a comprehensive report on ways to improve and modernize the UN's procurement system. This report has become the working document for a series of reforms. In particular, the Purchase and Transportation Service (PTS), one of the main purchasing offices at the United Nations, is currently engaged in a series of actions aimed at improving the openness and transparency of the procurement process. Over the past 18 months, the United Nations has been working very hard to implement some major reforms in its procurement procedures. They include the following:

- At the request of vendors and member states, PTS is currently conducting a full review of the roster of vendors. The purpose of this review is to make the roster more accurate and more relevant in the selection process. The review process involves the re-registration of all vendors with whom the UN is currently working. PTS has also sent a re-registration form to all names included in the roster even if these vendors are inactive. Those vendors who fail to respond to the re-registration process will be dropped from the roster.

- An Office of Vendor Relations will be created on January 1, 1996 to receive the complaints and comments of vendors on the procurement process. Although immediate results and changes should not be expected to follow from the creation of this office, the initiation of a direct dialogue between the vendor community and the UN reflects a totally new attitude in managing relations between buyers and sellers.

- Members of the group of experts responsible for the publication of a Procurement Study in December 1994 are now working with the UN's procurement officials to develop and

implement a number of recommendations. A team has been formed to liaise with them and facilitate the switch to newly reformed practices. The following reforms are scheduled for implementation early next year.

> Mandatory participation by UN procurement officials in training programs and trade seminars to develop and maintain professional skills.
>
> To create flow charts for the dissemination of information; to develop an electronic bulletin board for the publication of invitations to bid; to reduce paper and document handling.
>
> To finalize pre-approved systems contracts (particularly applicable to logistics).
>
> To eliminate inactive vendors from the roster.
>
> To develop policy guidelines for public openings of contracts; to review and delineate the work of the Committee on Contracts.
>
> To produce a Procurement Procedural manual; to review and change all registration and other forms used by PTS (by February 1996).

Mr. Chairman, with so much transition and reform taking place within UN procurement, some may wonder if pursuing UN business is really worth the effort. The answer is an unequivocal yes. The opportunities are simply too great to pass up. Keep in mind that, despite the system's shortcomings, U.S. companies already supply the U.N. system with goods and services worth nearly three-quarters of a billion dollars per year.

We asked U.S. executives who have been successful in developing U.N. business under the current system to offer advice to would-be suppliers on how to proceed. Their general response was to stop complaining, realize the current limitations of the system, and develop innovative and personal approaches to U.N. procurement officers. Patience is required, as well as a long-term commitment to develop the business. A substantial investment of time, manpower, and money is also necessary, not to mention keeping abreast of developments within the U.N. system.

U.S. companies are beginning to realize that filling out the required forms and being placed on a bid roster are simply the first steps in a long process. Successful companies assign at least one full-time staff representative to develop U.N. business. These representatives come to U.N. Headquarters in New York regularly to maintain contact with appropriate procurement officials. Companies involved in peacekeeping procurement send representatives directly to the field in order to develop a fuller understanding of the requirements of a specific operation.

Above all, companies must follow the rules of UN procurement. As time-consuming and frustrating as these rules are, it is imperative for company representatives to build trust with UN procurement officials. Some, but certainly not all, U.S. company representatives who have been to the United Nations have been described as arrogant, impatient, rude, and unwilling to even fill out introductory forms. This, of course, is not the way to win new business at the United Nations, or anywhere else for that matter.

Companies need not wait for the UN to complete its reform efforts to develop new business with the UN. With a better understanding of how the current system operates and a willingness to abide by UN rules and regulations, U.S. companies can win new contracts from the United Nations and its agencies around the world. We at UNA-USA will continue to do our best to inform American companies about UN procurement opportunities. For the U.S. business community, the United Nations system is still largely undiscovered territory. In fact, few American firms even know that the UN is one of the world's largest purchasing entities. The fact is there are tremendous opportunities for increasing the U.S. share of the UN market.

One of the most significant, and overlooked, opportunities for U.S. companies in the UN market today is in the area of non-peacekeeping activities -- specifically humanitarian and relief activities. Of

the $3.8 billion in total U.N. procurement in 1994, $2.4 billion (63%) was spent by relatively unknown U.N. agencies dealing with such issues as population, development, education, refugees, health, and the environment. The U.S. share of this total amounted to only $285 million (11.8%). A quick glance at these agencies, their total procurement, and the U.S. share, reveals a number of growth opportunities for U.S. firms.

- *The World Food Program (WFP):* Headquartered in Rome, WFP provides food aid to low-income countries around the world. WFP's 1994 procurement totaled $909 million. The U.S. share was $160 million (17.5%).

- *The United Nations Children's Fund (UNICEF):* Headquartered in New York, UNICEF helps to provide children and their mothers with primary health care, education, shelter, potable water supply, and sanitation. In 1993, UNICEF expended $380 million. The U.S. share was $24.7 million (6.5%).

- *The United Nations Development Program (UNDP):* Headquartered in New York, UNDP channels multilateral technical and pre-investment cooperation to countries around the world. In 1994, total procurement was $210 million. The U.S. share was $41.5 million (19.7%).

- *The United Nations High Commissioner for Refugees (UNHCR):* Headquartered in Geneva, UNHCR provides care and maintenance for refugees around the world. In 1994, UNHCR spent $150.5 million on goods and services. The U.S. share amounted to $2.8 million (1.8%).

- *The Food and Agricultural Organization (FAO):* Headquartered in Rome, FAO develops food self-sufficiency in developing nations. In 1994, FAO's total procurement was $68 million. The U.S. share amounted to $14 million (20.5%).

- *The World Health Organization (WHO):* Headquartered in Geneva, WHO develops health services and distributes medicines around the world. Total procurement for WHO headquarters procurement in 1994 was $69 million. The U.S. share was $2.7 million (3.9%).

- *The Pan-American Health Organization (PAHO):* Headquartered in Washington,D.C., PAHO develops and carries out health and social programs in the Americas and provides emergency assistance. In 1994, PAHO spent $66 million on vaccines, medical supplies, and equipment. The U.S. share was $17.3 million (26%).

- *The United Nations Industrial Development Organization (UNIDO):* Headquartered in Vienna, UNIDO promotes the process of industrialization in developing countries. In 1994, UNIDO spent $26 million on goods and services. The U.S. share was $3 million (11%).

- *The United Nations Educational, Scientific and Cultural Organization (UNESCO):* Headquartered in Paris, UNESCO promotes collaboration among nations through education, science, culture, and communications. Its 1994 procurement totaled $41 million. The U.S. share was $3.6 million (8.8%).

- *The United Nations Population Fund (UNFPA):* Headquartered in New York, UNFPA assists developing countries in population activities and programs. In 1994 this agency expended $104 million. The U.S. share was $8.6 million (8.2%).

- *The Department for Development Support and Management Services (DDSMS):* Headquartered in New York , DDSMS does the purchasing for the U.N. Secretariat's technical cooperation programs. In 1994, DDSMS procurement totaled $27 million. The U.S. share was $4.75 million (17.5%).

- *The United Nations Center for Human Settlement (HABITAT):* Headquartered in Nairobi, Kenya, HABITAT provides solutions to housing shortages and problems caused by rapid urbanization in the developing world. Total procurement in 1994 was $12 million. The U.S. share was $1 million (8.3%).

- *The United Nations Environment Program (UNEP):* Headquartered in Nairobi, Kenya, UNEP coordinates U.N. activities aimed at protecting the environment. In 1994, UNEP's total procurement was $7 million. The U.S. share was $767,000 (11%).

- *The Department of Humanitarian Affairs (DHA):* DHA, with offices in New York and Geneva, coordinates international responses to natural and manmade disasters around the world. In 1994 it expended $3.8 million. The U.S. did not supply DHA with any goods or services.

This side of the U.N. market holds the greatest potential for U.S. companies, particularly those specializing in emergency relief, food, transportation, logistics, and medical supplies. As the statistics cited above indicate, there is much room for growth. Since U.S. executives have paid little, if any, attention to these agencies, foreign companies have had a lock on their business. With the right marketing approach, however, U.S. firms should be able to capture a much larger share of this market. Perhaps you should talk to Raytheon. It just won a multimillion contract for the

peacekeeping operation in Angola. The simple fact is that UN procurement is big business and the biggest beneficiary is the United States.

Of course, there are problems with the UN procurement system. And there are instances of fraud and corruption, as the UN's own Inspector-General mentioned in a report he issued just last week. The United Nations is aware of these shortcomings, as are responsible observers of the system. Most member-states are working with the United Nations to solve these problems constructively by carrying out a thorough reform effort which is well on its way. And in a strong show of support from the American corporate community, a growing number of business leaders have begun to offer their expertise and know-how to help the United Nations become more effective. The United Nations Association of the United States will be most pleased to keep your Committee updated on our future activities as we continue to monitor the UN procurement system and inform U.S. companies about these opportunities. Thank you.

Sincerely,

Ralph L. Cwerman
Vice President

22-223 (152)

BOSTON PUBLIC LIBRARY
3 9999 05983 926 4

ISBN 0-16-052276-5

90000

9 780160 522765